

Purchasing Week

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\$6 A YEAR U.S.
AND CANADA \$25 A YEAR
FOREIGN

Capital Goods Needs Boost P.A. Buying Activity

R.R.'s to Argue Key Rate Case Before I.C.C.

Washington—The railroads go before the Interstate Commerce Commission this week to argue a key rate case in their campaign to generate more rail traffic and greater total revenues with "bargain rate transportation."

The specific case in hand involves only reduced rail rates for hauling paints and related articles. But in reality it is a test case the railroads are using to drive at the heart of their greatest competitive problem—that of ratemaking.

If the rails are turned down by the Interstate Commerce Commission, it seems sure they will take the issue on to the courts.

What the railroads are trying (Turn to page 17, column 1)

Court Bans Suits For Trucking Refunds If Rates Are Filed

Washington—The Supreme Court ruled last week that shippers cannot collect refunds on trucker charges where the rates applied were on file with the Interstate Commerce Commission.

The court said shippers have no right, under either common law or the Motor Carrier Act, to challenge the reasonableness of truck charges on past shipments where the charges conform to previously filed-rates.

The court was sharply divided (5-4) on the issue with the minority insisting on the traditional right of shippers to go to court to recover excessive charges.

However, suits for damages (Turn to page 40, column 4)

Govt. P.A.'s Seen As Tax-Dollar Savers

New York—As the trend toward better government management gains momentum, more emphasis is being placed on procurement operations with an eye to stretching tax dollars.

To learn how the governmental purchasing executive is meeting this challenge, Purchasing Week has made a major survey of public buying agencies and conducted interviews with top men in the field. The results are presented in a special report starting on page 22.

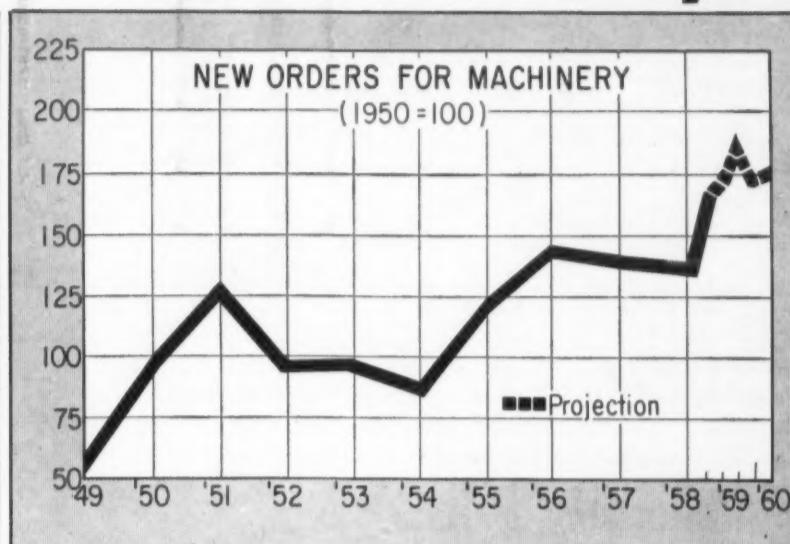
Industrial Leaders See Production, Prices Going Up

New York—The "cautious optimism" of six months ago regarding the nation's near-term economic outlook has turned to outright enthusiasm. That was the over-all impression given by a group of presidents and board chairman at the National Industrial Conference Board's annual meeting which was held here last week.

Addressing the meeting on "The Second-Half Outlook," 14 of the nation's top business leaders (Turn to page 3, column 1)

O.C.D.M. Plotting Rules To Cut Stockpile Surplus

Washington—The Office of Civil and Defense Mobilization, the government's stockpile policy agency, set out last week to settle the controversial issue of what to do with \$4 billion worth (Turn to page 4, column 3)



"Fair Trade" Showdown in Congress Viewed Unlikely Before Next Year

Washington—Showdown votes on federal "fair trade" legislation appear unlikely in either the House or Senate before next year. A pending bill to set up a national fair trade law faces several big obstacles despite the one-sided vote in favor of the legislation by a House committee a week ago.

The House Interstate and Foreign Commerce Committee approved the bill by a 20-9 margin, but the action does not assure eventual passage. The proposal faces a much sterner test in the House Rules Committee before it can come up for a vote on the House floor.

The measure is expected to meet even tougher going in the Senate.

The progress of fair trade legislation is being watched closely by purchasing groups, especially the National Association of State Purchasing Officials and the National Institute of Governmental Purchasing. Both associations have condemned fair trade as a hindrance to competition among suppliers and as a hurdle to purchasing resistance of any type of "price fixing" regulations.

Independent retailers, led by (Turn to page 9, column 2)

Discard Buying Rules For Space Age Needs, Sen. Saltonstall Says

Washington—Sen. Leverett Saltonstall (R., Mass.) told PURCHASING WEEK last week that "if new weapons development is to keep pace with our critical space age needs, (military) procurement must be accelerated."

"We must discard obsolete requirements and restrictions which not only slow down the development (Turn to page 40, column 1)

Continued Upturn Seen In McGraw-Hill Forecast; Modernization Pushed

New York—U. S. industry is flashing the signal for more capital goods buying. Manufacturers' own report indicate that new go-ahead moves on plant and equipment purchases are hitting purchasing departments daily, adding to pressure already generated by buying for inventory protection and production build-ups.

Emphasis on industrial modernization and new cost-cutting techniques is combining with obviously increasing enthusiasm over general business prospects to outrun previous spending estimates.

The fast pace of 1959's purchasing climate was spotlighted last week by:

- McGraw-Hill's latest quarterly new orders forecast which showed that capital goods producers, increasingly optimistic about future prospects, are looking forward to a continued upturn in purchases of machinery and other heavy equipment. (Chart at left highlights the order upswing.)

- Manufacturers are following up optimistic first quarter stockholder reports with a spurge of expansion and modernization projects, a number of them revised upward since the beginning of the year.

- Steel producers report that a new wave of steel orders has hit the industry—all for the third quarter and apparently good, strike or no strike.

- Presidents and board chairmen of key industries at the National (Turn to page 39, column 3)

This Week's

Purchasing Perspective

MAY 25-31

Soviet Union's Purchasing System Under Fire

McGraw-Hill Moscow Bureau Tells How Red Freeloaders Heckle P.A.'s

Moscow—Russia's purchasing system is under fire in the Soviet press for costing too much, fostering breach of contract, inducing corruption and for having a general lack of discipline.

Asserting that all this disrupts distribution and threatens state planning, critics are demanding a severe tightening up from bottom to top in Soviet purchasing. As it is, they say, millions of rubles are going down the drain.

The government newspaper Izvestia carried an article criticizing Soviet purchasing last month. Earlier blasts were printed in Soviet Trade, the Industrial and Economic Gazette and in the trade union newspaper Trud.

Drawing most attention are the "tolkachi" (literally, the



"pushers"). They are expeditors hired by factories and trade enterprises to use whatever means

are required—some have been prosecuted for bribery—to assure delivery of hard-to-get materials their "clients" need.

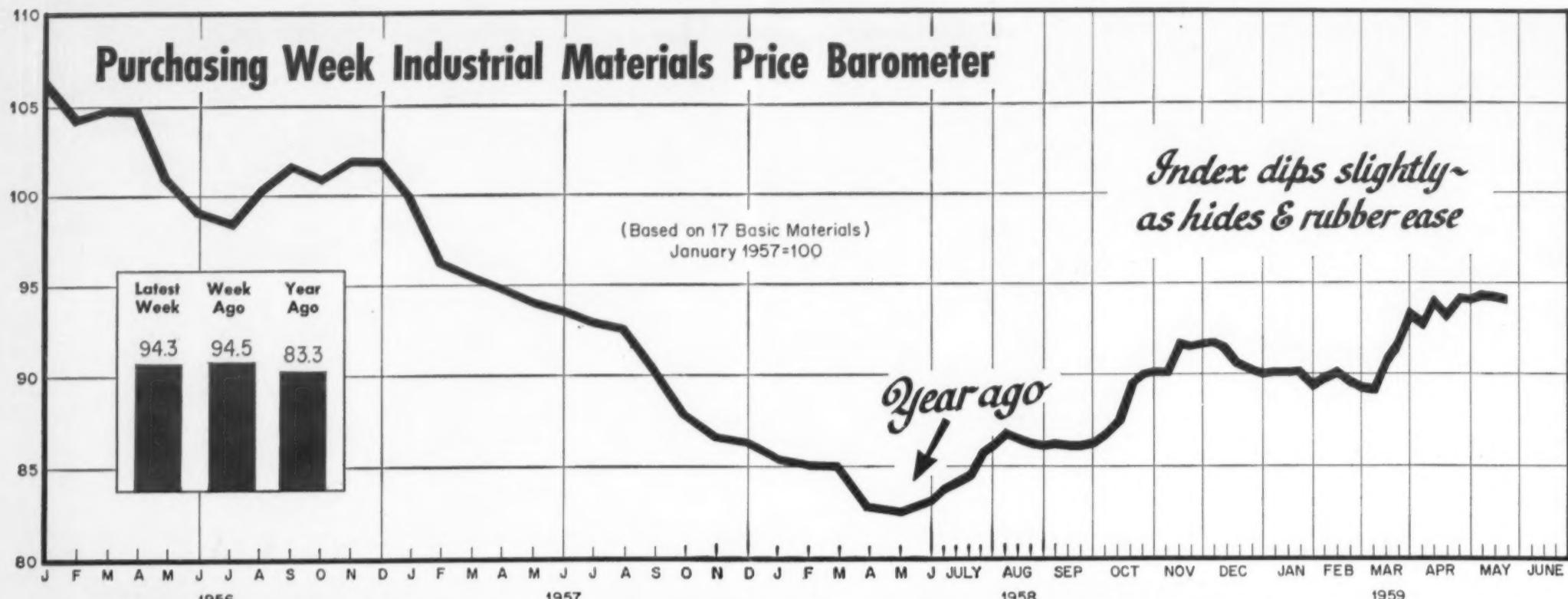
Either as cause or effect, the tolkachi appear to be involved in most ills of the Soviet purchasing system. "You can see them on trains, airplanes, in bus stations, hotels, restaurants and tea rooms," a high official—A. Burkaltsev—said in an article in Izvestia. Burkaltsev is chief controller of the Soviet Control Commission of the U.S.S.R. Council of Ministers.

"Tolkachi have been criticized more than once in the press but their number, far from diminishing, on the contrary is growing," he said. "They lay special siege (Turn to page 8, Column 1)

NEW LOOK: U. S. industry's decision to modernize rather than emphasize additional expansion becomes more evident as manufacturers unveil their capital spending programs for 1959 and beyond. This was the course—"Modernize Now for Growth and Profits"—urged so strongly last fall by PURCHASING WEEK and other McGraw-Hill publications.

What just a few months ago was only an editorial blueprint already is rushing toward fulfillment in the form of spanking new industrial machinery and other facilities designed to reduce production costs while boosting quality and output.

The record is clear on the trend. Earlier this year, McGraw-Hill's Department of Economics asked thousands of U. S. manufacturers about their capital spending plans. The survey results, announced last month, dramatically pinpointed the switch from expansion, which dominated capital spending programs for many years, to recognition of the need to get at the multi-billion dollar task of replacing industry's outmoded, obsolete equipment with modern facilities. The tabulation showed manufacturers then were planning to devote 65% of their 1959 capital spending allotments to modernization programs. Expansion projects (Turn to page 40, column 1)



*Index dips slightly~
as hides & rubber ease*

This index was designed by the McGraw-Hill Department of Economics to serve as an overall sensitive barometer of movements in industrial raw

material prices. The index is not intended to give price movements of specific commodities. The items used are important only in that, together, they re-

flect the current general market trend in sensitive industrials. Weekly prices for most of the items covered are published in "Commodity Prices" below.

This Week's Commodity Prices

METALS

	May 20	May 13	Ago	Year % Yrly Change
Pig iron, Bessemer, Pitts., gross ton	67.00	67.00	67.00	0
Pig iron, basic, valley, gross ton	66.00	66.00	66.00	0
Steel, billets, Pitts., net ton	80.00	80.00	77.50	+ 3.2
Steel, structural shapes, Pitts., cwt	5.50	5.50	5.275	+ 4.3
Steel, structural shapes, Los Angeles, cwt	6.20	6.20	5.975	+ 3.8
Steel, bars, del., Phila., cwt	5.975	5.975	5.785	+ 4.4
Steel, bars, Pitts., cwt	5.675	5.675	6.425	+ 4.6
Steel, plates, Chicago, cwt	5.30	5.30	5.10	+ 3.9
Steel scrap, #1 heavy, del. Pitts., gross ton	35.00	35.00	31.50	+ 11.1
Steel scrap, #1 heavy, del. Cleve., gross ton	34.00	34.00	30.50	+ 11.5
Steel scrap, #1 heavy, del. Chicago, gross ton	32.00	31.00	32.50	- 1.5
Aluminum, pig, lb	.247	.247	.24	+ 2.9
Secondary aluminum, #380 lb	.218	.218	.215	+ 1.4
Copper, electrolytic, wire bars, refinery, lb	.311	.312	.244	+ 27.5
Copper scrap, #2, smelters price, lb	.265	.26	.185	+ 43.2
Lead, common, N.Y., lb	.12	.12	.115	+ 4.3
Nickel, electrolytic, producers, lb	.74	.74	.74	0
Nickel, electrolytic, dealers, lb	.74	.74	.74	0
Tin, Straits, N.Y., lb	1.03	1.03	.944	+ 10.6
Zinc, Prime West, East St. Louis, lb	.11	.11	.10	+ 10.0

FUELS

	May 20	May 13	Ago	Year % Yrly Change
Fuel oil #6 or Bunker C, Gulf, bbl	2.00	2.00	2.25	+ 11.1
Fuel oil #6 or Bunker C, N.Y. barge, bbl	2.37	2.37	2.57	- 7.8
Heavy fuel, PS 400, Los Angeles, rack, bbl	2.15	2.15	2.50	- 14.0
LP-Gas, Propane, Okla. tank cars, gal	.04	.04	.04	0
Gasoline, 91 oct. reg, Chicago, tank car, gal	.118	.12	.118	0
Gasoline, 84 oct. reg, Los Angeles, rack, gal	.11	.11	.11	0
Coal, bituminous, slack, ton	5.25	5.25	5.75	- 8.7
Coke, Connellsville, furnace, ton	15.00	15.00	15.25	- 1.6

CHEMICALS

	May 20	May 13	Ago	Year % Yrly Change
Ammonia, anhydros, refrigeration, tanks, ton	90.50	90.50	90.50	0
Benzene, petroleum, tanks, Houston, gal	.31	.31	.36	- 13.9
Caustic soda, 76% solid, drums, carlots, cwt	4.80	4.80	4.80	0
Coconut, oil, inedible, crude, tanks, N.Y. lb	.223	.214	.151	+ 47.7
Glycerine, synthetic, tanks, lb	.278	.278	.278	0
Linseed oil, raw, in drums, carlots, lb	.16	.16	.173	- 7.5
Phthalic anhydride, tanks, lb	.165	.165	.205	- 19.5
Polyethylene resin, high pressure molding, carlots, lb	.35	.35	.325	+ 7.7
Rosin, W.G. grade, carlots, f.o.b. N.Y. cwt	9.85	9.85	9.70	+ 1.5
Shellac, T.N., N.Y. lb	.30	.30	.31	- 3.2
Soda ash, 58%, light, carlots, cwt	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton	23.50	23.50	23.50	0
Sulfuric acid, 66% commercial, tanks, ton	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y. lb	.074	.074	.083	- 10.9
Titanium dioxide, anatase, reg. carlots, lb	.255	.255	.255	0

PAPER

	May 20	May 13	Ago	Year % Yrly Change
Book paper, A grade, Eng finish, Untrimmed, carlots, CWT	17.20	17.20	17.00	+ 1.2
Bond paper, #1 sulfite, water marked 20 lb, carton lots, CWT	25.20	25.20	24.20	+ 4.1

BUILDING MATERIALS

	May 20	May 13	Ago	Year % Yrly Change
Chipboard, del. N.Y., carlots, ton	95.00	95.00	100.00	- 5.0
Wrapping paper, std. Kraft, basis wt. 50 lb rolls	9.00	9.00	9.00	0
Gummed sealing tape, #2, 60 lb basis, 600 ft bundle	6.40	6.40	6.40	0
Old corrugated boxes, dealers, Chicago, ton	21.00	21.00	17.00	+ 23.5

TEXTILES

	May 20	May 13	Ago	Year % Yrly Change
Burlap, 10 oz, 40", N.Y. yd	.10	.102	.102	- 2.0
Cotton, middling, 1", N.Y. lb	.363	.363	.363	0
Printcloth, 39", 80x80, N.Y., spot, yd	.190	.188	.173	+ 9.8
Rayon, satin acetate, N.Y. yd	.273	.273	.27	+ 1.1
Wool tops, N.Y. lb	.155	.160	.149	+ 4.0

HIDES AND RUBBER

	May 20	May 13	Ago	Year % Yrly Change
Hides, cow, light native, packers, Chicago, lb.	.265	.275	.154	+ 72.1
Rubber, #1 std ribbed smoked sheets, N.Y. lb	.364	.366	.256	+ 42.2

This Week's

Price Perspective

MAY 25-31

The annual price-guessing season will soon be in full swing.

Comes summer—when steel prices are usually hiked—the same questions invariably manage to crop up:

- Will steel boosts affect over-all industrial prices?
- If so, how much of a rise can be expected?

To say that steel developments will have no repercussions at all is to deny reality. The following table, if nothing else, certainly shows there is a definite and measurable effect.

Year	Steel Price Rise	6 Months Later
1955	+ 6.7%	+ 5.3%
1956	+ 7.3%	+ 3.6%
1957	+ 4.6%	+ 1.2%
1958	+ 3.0%	+ 2.1%

In each of the last four years, industrial tags have followed hard on the heels of a steel price boost.

• • •

The big question then is not whether prices will rise—but rather by how much can they be expected to increase by year end.

As noted above, the industrial price rises have in no sense of the word been uniform. To some extent they have varied with the amount of steel increase. But the state of business activity prevailing at the particular time has been equally significant.

In 1955 and 1956 when business was booming, manufacturers were more willing to chance cost "pass-throughs." Result: sharp price rises.

In 1957 (when business was slowing down) and in 1958 (when business was beginning to recover), the "steel" effect on industrial tags was smaller.

• • •

What can we expect this time?

If we assume only a modest increase in steel wages and prices (and this seems to be the consensus), then we have to consider two other factors:

- A general healthy rate of demand which is surpassing many producers' early 1959 expectations.
- A more-than-normal amount of competition—coupled with generally solid profit positions.

The first point would tend to bolster any "pass-through" tendency—particularly among firms that were not able to pass along the full 1957 and 1958 material and labor cost increases.

• • •

But this tendency will in large part be offset by a still-stiffening competitive situation.

For the first time in their history many firms have two types of competition to contend with: domestic and foreign. While they've become pretty adept at dealing with the former, the latter presents a sticky problem.

Autos, machinery, textiles, and a whole host of raw materials are now coming into this country in ever-increasing amounts.

In machine tools, for example, the percent of the market going to foreigners has more than doubled in 5 years—from 3% in '53 to 7% in '58.

Rather than risk losing out to cheaper foreign goods, many companies may choose to sit out this round of the wage-price spiral. In some instances, fatter profit margins will make this decision a bit more palatable.

Industrial Leaders See Output, Prices Going Up

(Continued from page 1) ers predicted increases in 1959 output for various industrial sectors ranging from 10% above the year-ago level for petroleum products to 40% above the 1958 total for automobile production (see chart at right). Barring a prolonged steel strike during the third quarter, the speakers indicated that output should rise fairly steadily through the end of the year.

Industrial prices also came in for their share of discussion. Most of the speakers indicated that a combination of strong demand and rising labor and material costs would continue to pressure tags for the remainder of 1959.

Some Firming Seen

Although just about none of the business leaders were willing to predict specific price boosts, many indicated that they could see some firming if demand continues strong. Petroleum products, aluminum, and rubber were among the areas where indications of a price boost seemed most imminent.

F. O. Prior, chairman of the board, Standard Oil Co. of Indiana, predicted that, for the year as a whole, demand for domestic oil would outpace the 1958 level by about 10%.

Second-Half Tags Steady

Pricewise, Prior stated that average tags in the second-half of the year would remain about where they are now except for normal seasonal changes. But he hastened to add that the industry believed that petroleum product quotes have been entirely inadequate when measured against producer cost increases.

The implication seemed clear that if demand were to increase above expectations, product price boosts would soon follow.

"A record year for the industry, with the first half a little better than the second." That's how H. E. Humphreys, Jr., chairman of the board, United States Rubber Co., summed up the rubber situation for 1959. Although the industry expects some production slackening in the second quarter (due to strikes), and a slowdown in demand during the third quarter (due to auto model changeover), a sharp fourth-quarter upturn will put industry sales some 13% above the 1958 level, said Humphreys.

Expanding Tire Market

The new record will be primarily due to the expanding automotive tire market. Humphreys estimated replacement tire sales at a record 64.5 million for the year, some 4.7% above the 1958 level.

Humphreys added that labor contracts in the rubber industry could be reopened for negotiation at any time, on 60-day notice. If wage negotiation is requested and higher wage levels should result, higher prices would be called for, said the board chairman.

R. S. Reynolds, Jr., president of Reynolds Metals Co., predicted production and sales records for the aluminum industry this year. He estimated that production would outpace the year-ago level by 20% in 1959, which would bring output close to 1.9

million tons for the current year. Reynolds stated that this production boost would be achieved through a remarkable gain in sales. Commercial shipments of aluminum in the first half were over 40% above the 1958 level, although some of this gain is due to inventory buildups as a hedge against a summer strike, the president said.

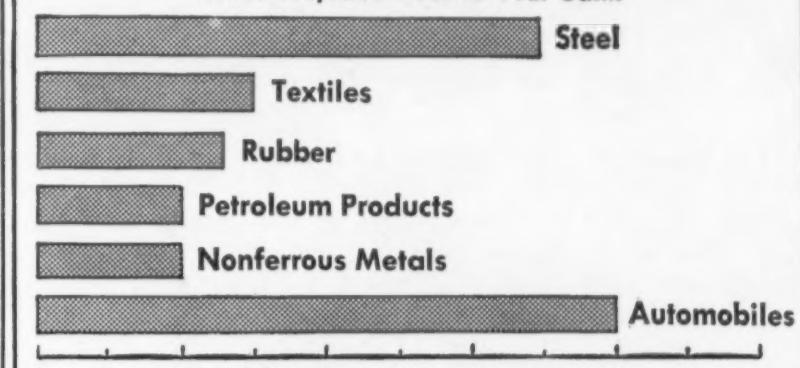
"Aluminum's price structure is entirely too low in relation to the industry's labor costs and tremendous capital investments," stated Reynolds. Due to a worldwide situation of over-supply and

soft markets, aluminum prices were cut 2¢ a lb. last April 1. On August 1, 1958, when wages in the industry were boosted, the U. S. price was increased by .7¢ to 24.7¢ a lb.

"But this increase didn't cover increased costs and provided nothing at all to restore the loss of income caused by the previous price cut. I think prices will tend to firm up in the second half of the year. But much depends on world market conditions and the amount of aluminum imports into the U. S.," concluded Reynolds.

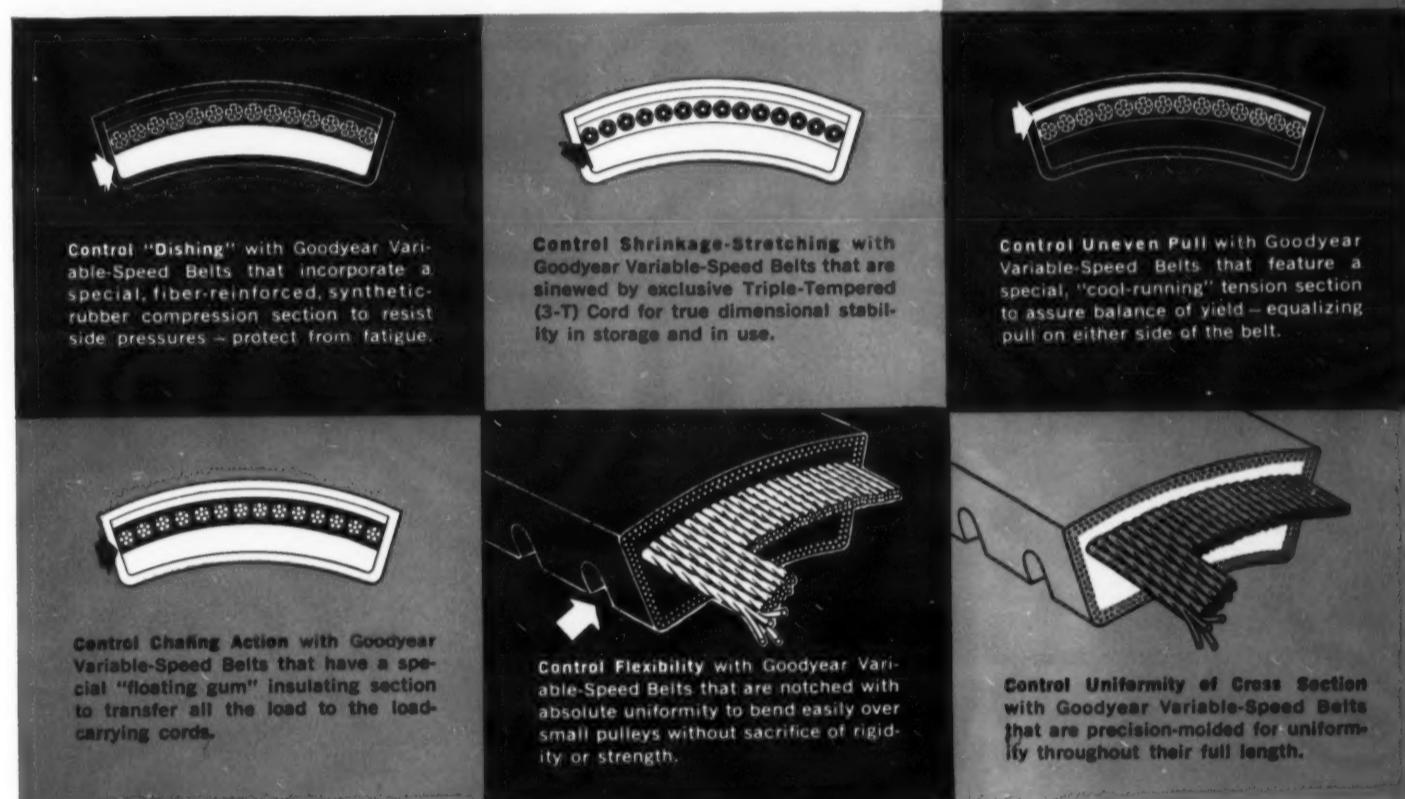
Substantial Production Gains As Seen by Major Industries

(1959 Projected Year-to-Year Gain)



Bars represent percentage gain.

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VARIABLE-SPEED

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GOOD **YEAR**

THE GREATEST NAME IN RUBBER

This Week's

Washington Perspective

MAY 25-31

The high-level maneuvering in labor circles gives the tip-off to what's coming on key labor issues.

First, President Eisenhower won't get the support he wants from labor on his anti-inflation campaign. His failure to win Steelworkers' chief David McDonald to his side is significant.

McDonald and the top brass of the A.F.L.-C.I.O. make it crystal clear they intend to push for big wage gains, despite Eisenhower's concern about possible inflationary effects.

McDonald last week got the A.F.L.-C.I.O. executive council to throw the full support of the combined labor movement behind his efforts to win sizeable wage increases for his Steelworkers in current negotiations.

Eisenhower had met personally in New York with McDonald a few days previously to indicate his concern about a wage settlement that would lead to a steel price increase. The executive council's declaration was his answer.

This becomes the official policy of big labor—a wage increase despite the cost. Labor's high command asserted in no uncertain terms to Eisenhower and business what it thinks of the inflation issue.

They bluntly labeled it a "phony" and one designed as a weapon against labor to hold down wages. Their statement also was directed at the National Association of Manufacturers which had earlier given its endorsement to steel company demands for no wage increase this year.

• • •

Chances for a tougher labor bill coming out of Congress have improved. The cause is Teamster boss Hoffa, organized labor's bad boy.

Congressmen have their backs up over Hoffa's threat to push for a national strike if anti-trust action is used against labor unions.

Hoffa's remarks caught the A.F.L.-C.I.O. by surprise. Leaders had been working for months to try to get a moderate reform bill through Congress. They were just beginning to pat themselves on the back for their apparently assured success when Hoffa opened up.

A.F.L.-C.I.O. President George Meany quickly denounced Hoffa, asserting the Teamster was flirting with rebellion. A.F.L.-C.I.O. leaders are busy trying to patch things up with Congress, explaining that Hoffa doesn't speak for responsible labor.

• • •

Don't overlook railroad management-labor differences in the week's events. They will have an effect on freight rates in the months to come.

Railroads had pressured Eisenhower to veto a bill raising railway workers' unemployment payments and fringe benefits. They contended this would cost the roads \$120 million the first year and eventually \$245 million annually. But Eisenhower feared he couldn't make a veto stick and let the bill become law.

Railroads say they will have to make up this money somewhere. **They indicate they may have to raise rates unless the increase in business covers the higher costs.**

Railroads are now more determined than ever to eliminate so-called featherbedding practices to lower costs. The issue will be a hot one when the two sides meet for new wage contract negotiations this fall.

The railroads are trying to get White House support. They're urging creation of a presidential commission to study the featherbedding issue.

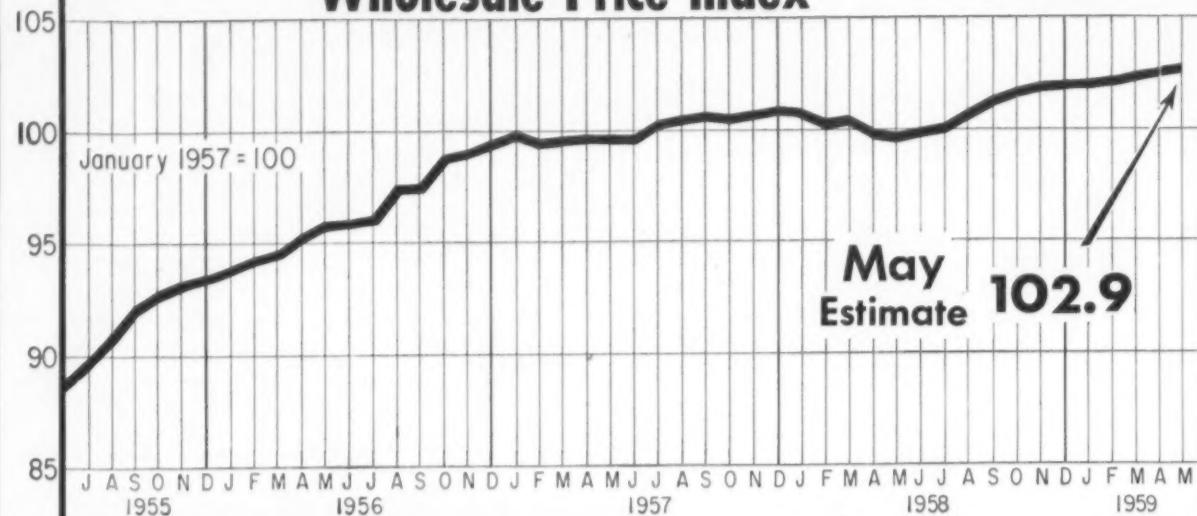
Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	2,674	2,631*	1,523
Autos, units	135,822	134,763*	87,407
Trucks, units	27,000	27,480*	16,755
Crude runs, thous bbl, daily aver	7,684	7,722	7,479
Distillate fuel oil, thous bbl	12,355	11,995	11,650
Residual fuel oil, thous bbl	6,240	6,517	6,558
Gasoline, thous bbl	26,821	27,003	25,200
Petroleum refineries, operating rate, %	79.4	79.8	81.4
Container board, tons	163,254	159,220	133,577
Boxboard, tons	159,524	154,674	131,122
Paper operating rate, %	94.8	94.8*	87.2
Lumber, thous of board ft	256,910	248,622	233,261
Bituminous coal, daily aver thous tons	1,401	1,373*	1,058
Electric power, million kilowatt hours	12,684	12,659	11,257
Eng const awards, mil \$ Eng News-Rec	468.2	415.6	588.1

*Revised

Purchasing Week's Wholesale Price Index

April 1959	102.8
March 1959	102.5
April 1958	100.0



Under pressure from sharply rising leather tags, up over 16% above the month-ago level, Purchasing Week's Wholesale Price Index rose again in April. Lumber, concrete products, and textiles also con-

tributed to the rise while metal containers registered a significant month-to-month decline of 2.2%. Some chemical strength plus spot rises in textile tags will again boost index slightly this month.

O.C.D.M. Plans Stockpile Cuts

(Continued from page 1) of surplus stockpile materials.

O.C.D.M. began readying a new piece of legislation which would relax restrictions on disposal of excess stockpile items. Already approved by the Bureau of the Budget, the proposal is expected to raise protests from domestic mining interests and foreign suppliers.

• The bill would set up a single national materials reserve inventory, including all materials now in several stockpile categories: 1. the supplemental stockpile of foreign metal and mineral commodities received in barter exchange for surplus U.S. crops, 2. the Defense Production Act inventory of domestic metals and minerals acquired under incentive purchase support programs, 3. the government's tin stockpile, and 4. Interior Department's inventory of domestic metals bought to support market prices.

• All commodities now in excess of three-year goals would shift from the national stockpile, which cannot be disposed without express congressional approval, to the new materials reserve inventory.

• O.C.D.M., under the new proposal, could sell off any or all of the materials reserve inventory without congressional approval, although the agency would be required to give Congress 90-days notice of its intent to sell.

• The new legislation would give O.C.D.M. greater leeway in administratively judging materials in the national stockpile "obsolete," and thus removable to the reserve inventory.

Distribution Agreement

New York — Union Carbide Chemicals Co., and Ansul Chemical Co., carbide's exclusive sales agent, have announced that "Ucon" brand refrigerants will be distributed to the replacement market only through wholesalers of air-conditioning and refrigeration products.

This Month's Industrial Wholesale Price Indexes

Item	Latest Month	Month Ago	Year Ago	% Yrly Change
Cotton Broadwoven Goods	97.7	97.5	94.8	+ 3.1
Manmade Fibre Textiles.....	98.2	97.6	98.0	+ .2
Leather	136.5	117.5	103.3	+ 32.1
Gasoline	97.4	96.8	93.0	+ 4.7
Residual Fuel Oils.....	75.8	76.0	77.9	- 2.7
Raw Stock Lubricating Oils....	96.7	96.7	101.2	- 4.5
Inorganic Chemicals	102.5	102.3	102.0	+ .5
Organic Chemicals	99.4	99.0	100.2	- .8
Prepared Paint	103.4	103.5	103.5	- .1
Tires & Tubes	102.1	102.1	102.2	- .1
Rubber Belts & Belting.....	103.2	103.2	99.3	+ 3.9
Lumber Millwork	104.4	101.2	99.1	+ 5.3
Paperboard	100.0	100.0	99.9	+ .1
Paper Boxes and Shipping Containers	101.9	101.9	100.8	+ 1.1
Paper Office Supplies	101.2	101.2	101.2	0
Finished Steel Products	109.1	109.1	106.1	+ 2.8
Foundry & Forge Shop Products	106.9	106.2	105.0	+ 1.8
Non Ferrous Mill Shapes.....	96.3	96.3	91.2	+ 5.6
Wire & Cable.....	89.1	88.9	81.0	+ 10.0
Metal Containers	103.7	106.0	105.6	- 1.8
Hand Tools	109.7	109.7	106.9	+ 2.6
Boilers, Tanks & Sheet Metal Products	99.2	99.2	98.8	+ .4
Bolts, Nuts, etc.....	107.0	107.0	109.5	- 2.3
Power Driven Hand Tools.....	108.2	108.2	103.2	+ 4.8
Small Cutting Tools.....	106.4	106.4	107.5	- 1.0
Precision Measuring Tools....	108.3	107.3	106.1	+ 2.1
Pumps & Compressors	111.3	111.3	105.0	+ 6.0
Industrial Furnaces & Ovens....	116.5	116.5	111.3	+ 4.7
Industrial Material Handling Equipment	104.9	104.3	103.8	+ 1.1
Industrial Scales	104.8	104.8	104.8	0
Fans & Blowers.....	104.3	104.3	103.2	+ 1.1
Office & Store Machines & Equipment	103.9	103.9	103.3	+ .6
Internal Combustion Engines..	103.7	103.5	103.5	+ .2
Integrated & Measuring Instruments	115.8	115.9	112.1	+ 3.3
Motors & Generators	104.4	104.4	103.6	+ .8
Transformers & Power Regulators	101.2	101.5	100.7	+ .5
Switch Gear & Switchboard Equipment	105.6	105.6	105.1	+ .5
Are Welding Equipment	103.9	103.9	102.8	+ 1.1
Incandescent Lamps	110.0	110.0	110.6	- .6
Motor Trucks	109.0	109.0	105.9	+ 2.9
Commercial Furniture	105.5	105.5	105.0	+ .5
Glass Containers	106.3	106.3	106.3	0
Flat Glass	99.6	99.6	100.0	+ .4
Concrete Products	103.0	102.9	101.9	+ 1.1
Structural Clay Products	106.2	106.2	103.3	+ 2.8
Gypsum Products	104.7	104.7	104.7	0

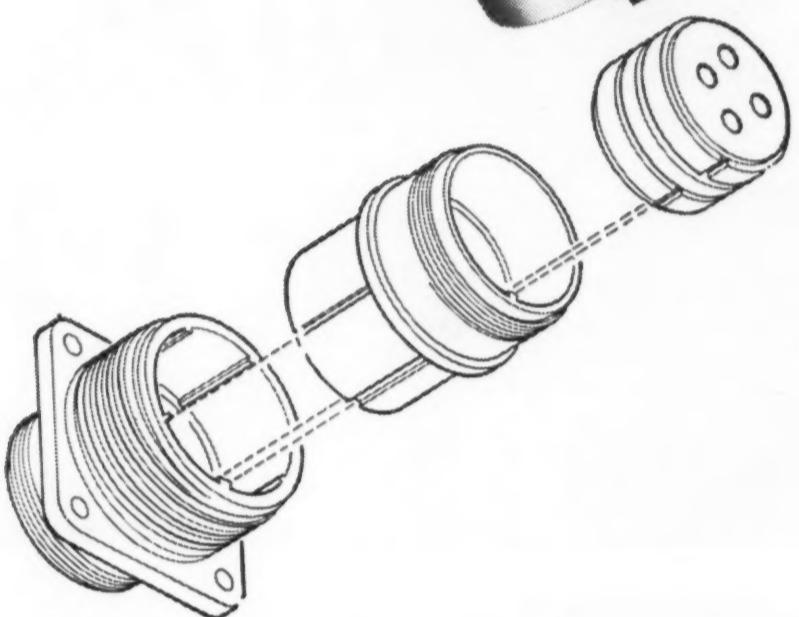


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Construction Boom Using Quantities of Material

New York—P.A.'s are eyeing the booming construction industry with renewed interest. With 1959 new construction outlay figures running close to a \$54-\$55 billion annual rate, many purchasing men already are evaluating the effects on their own operations.

Factors to consider are:

- The construction industry is taking huge amounts of steel, aluminum, copper, cement, lumber, glass, and a host of other major industry materials.

- A high level of construction makes for big business in appliances, textiles, furnishings, construction machinery, and other finished goods.

- How construction goes, so may go the whole economy. For \$55 billion represents a healthy chunk of all U. S. business—and provides jobs for over 2½ million workers.

For a bird's-eye view of how this amazing industry has continued to set records year after year, see the chart above right.

Will Pace Continue?

The big question now, however, is not the setting of another record for 1959. That's virtually assured. Instead, it's whether the current hectic pace can be maintained for the rest of the year.

On the plus side are the latest reports on heavy construction contract awards. These are perhaps the best indicators of future construction activity. That's because awards signed over the past few months in many cases will be translated into actual outlays for the second half of 1959.

These awards, as measured by the latest *Engineering News-Record* survey, are definitely optimistic. The average for the first four months of 1959 shows a 13% gain over year ago levels—that's second only to the record set in the boom year of 1956.

A breakdown shows that the pluses are widely spread through industry.

Public Works Up

For the first four months of 1959, public works contracts—led by highways—were just under \$3.4 billion. That was 12% above 1958—most of which was due to federal contract letting (up 56%). State and local awards were about on a par with a year ago.

Despite some sag in April private awards (they were some 17% below April '58), the January-April total was still 15% above a year ago.

Private mass housing—representing the biggest chunk of the private sector—was up 9% over the period. Here again the April pace was down somewhat.

Private industrial building was up the largest amount in the four-month period—recording a 27% year-to-year gain. It's a harbinger of increased business spending reported by McGraw-Hill in its recent capital equipment survey (see P.W., Apr. 20, '59, p. 1).

About the only bearish factor on the horizon is the sign noted above of some easing off in private mass housing awards. It has prompted some people to say that the current total construction rate may slacken off a bit in the second half of the year.

Whether it does or not may well depend on availability of

funds. Federal legislation now pending in Congress plus money market conditions over the next few months will tell the story.

Last year's second quarter received a fillip from the \$1 billion Congress gave the Federal National Mortgage Association to buy at par F.H.A. and V.A. mortgages of \$13,500 and under.

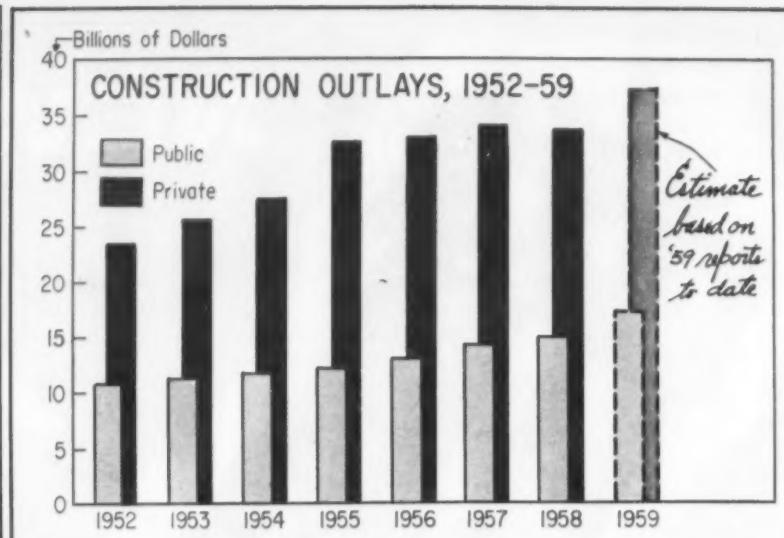
If there are enough funds made available again this year, it's conceivable that the latest estimate of housing starts (about 1,285,000) will be surpassed.

At any rate the momentum will be there. That's because housing

starts over the first four months of the year have been running at a seasonally adjusted annual rate of 1,366,000 units.

But whatever the total figure, one thing is sure: Construction costs will continue to creep up. *Engineering News Record's* construction cost index for May inched up to 790, (1913 = 100). That's 0.8% above April and 5.1% above May 1958.

Continued brisk construction activity, wage boosts, and expected metal hikes this summer all should keep the index in its upward trend through fall.



WHY LEADING MANUFACTURERS INSIST ON INLAND CONTAINERS



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A Purchasing Week Profile

Kendall C. White Puts His Theory Into Practice as a P.A. for Tapco

What happens when an Ivy League professor takes over purchasing for a major auto parts producer. Does he have any trouble putting all that theory into practice?

Kendall C. White says he hasn't had any trouble in adapting the theories he's been teaching into practice. From a teaching platform to an executive's desk wasn't a hard step for him.

White has gone from teaching classes at Cornell University, at Ithaca, N. Y., to a top level job in the Cleveland purchasing



KENDALL C. WHITE has chance to practice what he preached.

scene. White is manager of purchasing and industrial engineering for the Tapco group, Thompson Products Div., Thompson-Ramo-Wooldridge, Cleveland.

In between the two steps, his army service, leading up to the rank of colonel, in two military actions, has given him additional experience in the field of materials management.

White graduated from Cornell with an E.E. degree, decided to stay and teach there for a while. The job lasted ten years. This educator background in time and motion, methods engineering, plant layout, etc., seems like a tremendous amount of time spent on theory only.

But theory isn't changed in practice, White maintains, while admitting the human element makes it a little more difficult. He says, "Teaching provides theory which is right, but doesn't always provide the means of doing it."

Service with the Army in World War II gave White the first taste of practical experience. He directed signal supply coordination in the North African and the U. S. theaters, rose to the rank of Lt. Colonel. After his discharge in 1946, he went back to Cornell, taught there until he was recalled for Korea.

This time it was Col. White who directed supplies for the Army out of Philadelphia. That did it for the "Ivory Tower." After his second discharge in 1951, White went to work for an Eastern electric company as production manager, and managed purchasing, planning, and scheduling materials. The next step, taken two years ago, was his present position for Thompson-Ramo-Wooldridge.

Not only an educator and a business man, White has taken

time out to be an author, too. He wrote a book for the Alexander Hamilton Institute series on "Production Control," published in 1958. The book covers the purchasing function—has chapters on materials management and traffic as well as vendor relations, duties, and methods of purchasing.

Before his own book came

out, teacher-author-purchasing man, White wrote the section on Plant Layout for the Alford and Bangs "Production Handbook" published in 1951.

"We drew heavily on actual cases and practices as subject matter at Cornell," says White, "so the course material was actually just as practical as in industry." He goes on to say that theory is the basic framework of practice, only shaped a little by the human element which applies it.

White is married, has five children, and lives in suburban Moreland Hills, where he can indulge his favorite hobby of gardening.

Materials Management Seminars Set for June

Boston—The Industrial Education Institute has organized one-day seminars in Boston and New York next month on the profit-making aspects of materials management.

Thomas J. White, manager of materials for the kitchen appliance department of General Electric's Hotpoint Division, will conduct the seminar programs. They have been scheduled for the Hotel Somerset in Boston on June 16 and the Hotel Park Sheraton in New York on June 17.

The sessions are designed for purchasing managers, material

control men, production control managers, organization specialists, traffic managers, and others responsible "for more efficient control of materials to the plant, in the plant and away from the plant."

Emulsion Output Begun

Clifton, N. J.—Morningstar-Paisley's new plant here has begun production of polyvinyl acetate emulsions. At the same time, company officials reported that their Chicago plant had boosted emulsions output 50%.



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Soviet Union's Purchasing System Under Fire

(Continued from page 1) to enterprises which supply equipment, automobiles, spare parts, timber, cable and cement."

These are some of many cases he cited:

"In an 11-month period, the Ural Auto Works sent on business trips 2,762 representatives and the Krivoi Rog Steel Works sent 2,813. The Minsk tractor plant spent about 170,000 rubles on business trips. . . . At the Kuibyshev Cable Plant there are permanent representatives from eight enterprises. The Magnitogorsk metallurgical combine has 15 such permanent representatives."

Free to Breach Contracts

Part of the trouble stems from the fact that suppliers feel relatively free to breach contracts. If a manufacturer wants to favor a neighboring buyer with supplies already earmarked for someone in another province—and regionalism is said to be growing—he may do so knowing that breach of contract suits, though existent in the Soviet Union, are seldom brought against suppliers. By bringing suit, a slighted buyer does nothing to improve relations with the supply point he may have to deal with all his life.

Low State of Discipline

"We have tolkachi because of low state discipline," wrote I. Ustinov, head of the Chelyabinsk Province Trade Administration, in an *Izvestia* article late last year. "The heads of enterprises evidently think that for them no supply terms exist. They can violate their contract obligations. In a word, they can act just as they please."

As a result, Mr. Ustinov went on, "heads of province organizations send countless telegrams, make countless phone calls and then, finally, they send tolkachi."

With or without a "naryad" (purchasing authorization) and

Council—and the user. Gosplans are state planning committees. Here's one example of poor coordination, reported early this year by the Bryansk correspondent of the Industrial and Economic Gazette:

Much Shuffling

"There was a shortage in Bryansk of piping used in construction of electric trains. The order issued by the Russian Republic Gosplan allotted 960 tons of pipe to the Economic Council in Bryansk. This was by no means ade-

quate for production needs, taking into account repair. Then, without even informing Bryansk, Gosplan subtracted 300 tons. After the Economic Council registered its objection, Gosplan gave permission for 200 additional tons. What happened as a result: In order to achieve planned output of electric trains, we had to get the pipe by plane from Sverdlovsk and by auto transport from Nikopol and Dnepropetrovsk."

Even permanently based tolkachi are inadequate for some

enterprises. Writing this time in *Trud*, Burkaltsev said of the situation:

Too Many Rubles

"The Kirov Works in Leningrad, for example, maintains in Moscow a so-called 'technical group' consisting of 10 men who occupy themselves with supply problems. Their salaries cost the state more than 250,000 rubles a year. Despite their presence, the Kirov Works sent more than 600 workers to Moscow on business trips in an 11-month period for which more than 300,000 rubles flew out the window."

To partly cover tolkachi expenses, one imaginative outfit—

the Workers Supply Administration of Tula Province—has established a transhipment base, according to Mr. Burkaltsev. "This office buys many materials in Moscow, hauls them to its warehouse base, hikes the prices to cover expenses and then sends them to Tula," he said. "As a result of buying in Moscow, the workers of the base easily overfulfill their plans and last year alone received 74,000 rubles in bonuses for this."

The Line Forms to the Left

Further waste arises in planning organizations which summon representatives from outlying areas in greater numbers than



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armed often with money for entertainment or gifts, the tolkachi may strike a barter deal with the supplier, promising a consignment of hard-to-get goods from his own boss. He may enter a three-way exchange involving other tolkachi. If there is no allocation problem, his main job may be merely to see that delivery schedules are maintained.

Lack of Coordination

Another problem seems to be lack of coordination between the allocator—which can be the all-Union Gosplan, a Republic Gosplan or a Regional Economic

But something was missing when costs for the castellated nut and cotter pin unit were figured. The extra expense of field service calls; the cost of "downtime" to the customer; the value of your company's reputation as a manufacturer. Add these factors in . . . then the one quarter cent for the double dependability of an Elastic Stop nut becomes the lowest cost insurance you can obtain for the protection of your equipment and your reputation.

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can be handled at a time. "Large groups of people are often sent for simultaneously and then spend long hours waiting for appointments," Burkaltsev said. "Just putting this situation in



order would save expenses on business trips." He suggested that planning executives make their own surveys in the field.

Loopholes in supply and finance rules are easy to find for the enterprise director and bookkeeper looking for ways to conceal expenses. Still in force are many directives issued by ministries which were abolished two years ago when the state decided to de-centralize its industrial undertakings. The old rules don't always fit the new situation.

For travelling expenses, enterprise directors have a natural. Under a Ministry of Finance de-



cree issued in 1956, directors do not have to list publicly business trip expenses "connected with production." This obviously affects unit cost of production, but it allows the director a good show under administrative expenses.

How long the present situation will last in Soviet purchasing is



a difficult question to answer. But with all the current criticism in the Soviet press, it's a good bet that major repairs are now under consideration and may be introduced in the near future.

"Fair Trade" Showdown Vote in Either House Or Senate Seen Unlikely Before Next Year

(Continued from page 1) spokesmen for the country's corner drugstores, provided the main backing for the federal fair trade bill.

Here is a rundown on other federal legislation of interest to purchasing:

On the Senate side, the Kefauver Antitrust & Monopoly Subcommittee has completed action on three antitrust bills, putting it up to the full judiciary committee to keep the ball rolling. Only two of the bills are

given a real chance of becoming law, both recommended for adoption by the Kefauver Subcommittee:

- One is the pre-merger notification bill. This would require large corporations to give anti-trust agencies 60 days advance notice before going ahead with merger plans.

- The other would give the Attorney General a new tool—called a "civil demand"—to compel production of company documents wanted for conduct-

ing a civil anti-trust investigation.

Both measures have been supported and recommended by the Eisenhower administration. While the House has not held hearings this session on either bill, congressional leaders expect to complete consideration next session. Outlook for passage is good.

The Kefauver Subcommittee also has acted on S-11, dealing with the "good faith" defense in Robinson-Patman price discrimination cases. But the Tennessee senator could not get a favorable report. His subcommittee merely sent the bill to the Judiciary Committee for consideration without recommendation. S-11 is the most controversial of all the anti-

trust bills under study, and with well-organized opposition lined up against the bill, it is doubtful sponsors will be able to obtain a floor vote in both houses. Outlook is against passage.

Now that the Kefauver Subcommittee has completed hearings on Sen. O'Mahoney's price-notification bill, it seems the legislation will be left to die there. Almost no support developed during the hearings for O'Mahoney's idea to compel companies in concentrated industries to go through public hearing every time they want to boost prices. The idea may crop up again, but it has no chance for serious consideration now.

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Vol. 2, No. 21

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Print Order This Issue 26,193

Results Are a P.A.'s Stock in Trade

Government purchasing agents commonly refer to themselves as working in a "fishbowl." The reference, obviously, is to the fact that everything they do is subject to public scrutiny. There can be no denying this. And, there can be no denying the fact that this is one of the differences between private (industry and business) and governmental purchasing.

It is interesting to note, however, that even without the fishbowl connotation, the activities of a purchasing department cannot be hidden. And they should not.

You can look at this matter of all operations being out in the open from two standpoints, negative and positive. If you think only from the negative side, just try to hide a real boner in purchasing; it can't be done. Errors in judgment or in fact show up in unnecessary inventory, in wasted dollars, in fouled-up production lines, in costly transportation charges and in lowered profits.

Looked at from the positive viewpoint, good purchasing policies and procedures accomplish just the opposite; inventories are turned at the most economical rate; deliveries are received at just the right time to keep production lines moving at top speed; transportation charges are kept to a minimum; and net profits go up.

It's true that many top management men, when advised of the accomplishments of a purchasing department, respond with a comment such as "that's what the purchasing department is paid to do." And you can't argue with this, even though it is the same old story of errors not accomplishments drawing management's attention.

However, putting a single spotlight on purchasing is not necessary. Purchasing men, in government and in industry, operate under floodlights constantly. It is not necessary for them to receive a "pat on the back" for every job done well. There are too many such accomplishments. Top management men do not look upon top purchasing men as underlings who have to be goaded into working hard, or who have to be complimented on every routine accomplishment.

Purchasing's reward comes in other forms—greater responsibilities, promotions, and, of course, increased salaries. In state and local purchasing, salaries have risen steadily. Increases for 39 governmental positions studied (see page 23), ranged from 7% to 40% over the last five years.

And this is true not only in government posts. In business and industry there has been a steady increase. As a matter of fact, purchasing men's income stands up very well when you compare it with all managerial salaries. The median annual income of purchasing agents is just under \$9,000, while the median for all managerial posts is only \$7,500 (P.W., Oct. 20, 1958).

There is no greater recognition. Top management does not approve a top salary for a position that does not warrant it. Purchasing is a top position. And if this is not so in a particular case, maybe the incumbent should start asking himself some pertinent questions before he asks them of management.

Management is interested in results and a good purchasing department can produce them.

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Your Follow-Up File

Request for "K & S" Listing

Corning, New York

Your editorial of April 13 ("P.A.'s Know What Competition Is," p. 10) referred to 17 "Knowledges and Skills" required for a materials manager.

May I obtain this listing?

R. L. Bisset
Buyer
Corning Glass Works

• Here are the 17 "Knowledges and Skills" for a materials manager as listed by the American Production & Inventory Control Society, Inc:

	PA	PCM	MM
Ability to Supervise	X	X	X
Ability to Write Fluently	X	X	X
Ability to Write Persuasively	X	X	X
Management Know-How	some more	most	
Fundamentals of Accounting	some more	most	
Fundamentals of Industrial Engineering		X	X
Fundamentals of Manufacturing	some more	most	
Fundamentals of Data Processing	X	X	
Fundamentals of Statistics	X	X	
Purchasing Techniques	X	X	
Inventory Control Techniques	X	X	
Production Planning & Scheduling	X	X	
Man and Machine Loading	X	X	
Materials Handling	X	X	
Materials Storage	X	X	
Receiving	X	X	
Shipping	X	X	

(PA—Purchasing Agent, PCM—Production Control Manager, MM—Material Manager)

Purchasing Manual Praised

Los Angeles, Calif.

You ran a three-part article on purchasing manuals ("Purchasing Manuals Have Many Values") by F. Albert Hayes in your issues of March 9, 16 and 23.

In these articles, occasional reference was made to a purchasing manual developed by North American Aviation, Inc. Since then, we have had many requests for information concerning our manual from your readers.

At the present time, our manual is undergoing a complete reorganization so that it may keep step with the company's expansion, divisionalization and progress in purchasing policies and procedures.

The articles were timely, comprehensive and well written and, because of our present concern for our own

manual, were particularly applicable. Could you forward three copies of this article?

J. C. Condon
Assistant to Corporate Director
Material
North American Aviation, Inc.

Kudos to P.W. Articles

Lewiston, Idaho

We look forward to your publication. For one thing it is important to read the various articles by your staff and also the thoughts of many purchasing agents who contribute to the magazine.

I have cut out many of the articles and keep a file on them for future reference. PURCHASING WEEK is also passed around to many people in our organization who are connected with purchasing, storing and issuing of materials.

J. S. Scofield
Purchasing Agent
Potlatch Forests, Inc.

Two Requests Answered

Evanston, Ill.

In your May 4 issue, I found the following item, "New corrosion inhibitor removes rust and contaminants from metals, plastics, and painted surfaces. . . Corrosion Reaction Consultants, Inc." ("Product Perspective," p. 21). I would like to have the firm's complete address so that I can obtain a sample of the described item.

Dan M. Andre
Purchasing Agent
Universal Screw Co.

Please send me the address of Corrosion Reaction Consultants, Inc.

A. J. Belanger
Director of Purchases
Inland Steel Container Co.
Division of Inland Steel Co.

• The company is at 116 Chestnut St., Philadelphia 6, Pa.

Another Address Needed

New Martinsville, W. Va.

We are seeking additional information on a push-button tape dispenser machine which was shown on the Dave Garroway Show. According to my informant, he said it was called Dial-a-matic.

We would appreciate the name and address of the company making this machine.

E. W. Wren
Assistant Treasurer
Viking Glass Co.

• The machine is called Dial-Taper and is a product of Marsh Machine Co., Belleville, Illinois.

To Our Readers

This is your column. Write on any subject you think will interest purchasing executives. While your letters should be signed, if you prefer we'll publish them anonymously.

Send your letters to: "Your Follow-Up File," PURCHASING WEEK, 330 West 42nd St., New York 36, N. Y.

PURCHASING WEEK Asks You . . .

What do you think is the most difficult point to get across to a new man in purchasing—and how do you think this point can be made effectively?



A. W. Smallfield
Rival Mfg. Co., Kansas City

"It is that he must stay with good sound purchasing practices consistently. Short cuts that depart from good procedure, while often minor, tend to form habits affecting the efficiency of the man. If successful in departing from procedure in a small way, it may lead to the practice of doing so in more important transactions with dangerous results. Close supervision with a new man working toward established procedure and the importance of following it with explanations as to the results should keep him ever mindful."

R. E. Shaffar
White-Rodgers Co., St. Louis

"It's the fact that he is neither expected nor desired to make immediate wholesale changes in procedures or sources of supply. I believe a new man should be told to go along with the setup as he finds it for at least six months, but to be on the alert for things he feels can be improved during that time. Then after his first few months of finding out the reasons why present conditions exist, if he still feels changes are necessary he will be given the opportunity to try his ideas."



J. S. Lund
Lewis-Shepard Co., Watertown, Mass.

"Impressing on the new man, totally unfamiliar with purchasing policies and procedures, that true cooperation between all plant departments is most vital and does exist. The new man would immediately agree that this cooperation is necessary to a well run purchasing department. However, a few requisitions with improper lead times makes him doubt the existence of this cooperation. By familiarizing the new man with the operations and problems of each repositioning department, matters are then seen in a different light and the point effectively made."

A. J. Kelly
Esso Standard Oil Co., New York

"Our buyers are promoted from other assignments, either in the purchasing department, our plants or engineering departments. Before being given buying responsibilities they are carefully selected, trained and supervised on the job by experienced purchasing executives. Emphasis on developing proper and adequate competition, and maintaining good tabulations to reflect analysis of proposals is constantly stressed. All this eliminates difficult points to get across. If the individual fails to get the point soon under such conditions, he doesn't continue long in a buying position."



E. C. Scoville
Arthur G. McKee & Co., Cleveland

"In our general contracting business, the knowledge of the proper bidders to include in an invitation to quote is of vital importance. It is simple to send out 12 or 14 invitations to bid, but difficult to restrict this list to five or six bidders and still be sure of having the right price. Knowledge of the markets is the key. The work involved in tabulating a large number of bids usually impresses the new buyer to the point where he studies commodities. Eventually a feeling of confidence comes that he is doing a better job with fewer bids."

Suggest a Question to: PURCHASING WEEK Asks You
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New York 36, N. Y.

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 SQUARE WASHERS CASTER SHIMS AN 960 FLAT WASHERS
 MACHINERY BUSHINGS

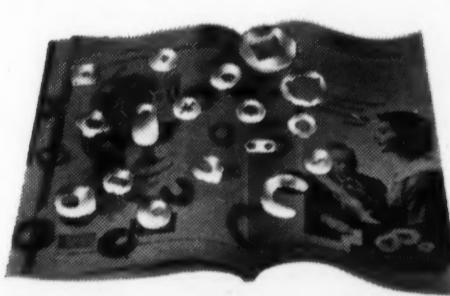


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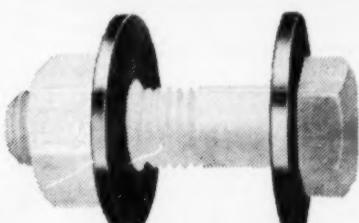
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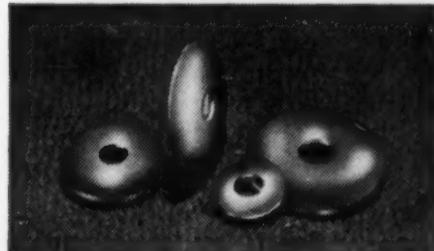


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This Changing Purchasing Profession . . .



HARRY W. POWELL has been elected vice president—purchasing by Merritt-Chapman & Scott Corp., New York. He has served since 1944 as director of purchasing and in April 1957 became an assistant v.p. of the firm.

Shell's Decentralization Program Shifts P.A.'s

New York—As part of Shell's purchasing decentralization program, starting about June 1 the Shell Oil Co.'s Wilmington-Dominquez refinery and Shell Chemical Co.'s Dominquez, Calif., plant will take over the purchase of all materials, supplies and services for their operations except for containers, chemicals, and stationery.

This purchasing was formerly done by area purchasing-stores in Los Angeles.

The stores department at the refinery will become the purchasing-stores department and George A. Shahan, manager-stores, will be manager purchasing-stores.

Other changes at the refinery

will include the transfer of J. W. London, presently in the San Francisco purchasing office department, to become assistant manager purchasing-stores. J. R. Cameron will be shifted from area purchasing-stores, Los Angeles, to be senior buyer at the refinery.

At the Dominquez chemical plant the functions of purchasing-stores will continue under the direction of the treasury department.

Timothy M. Somers has been named purchasing agent for Mixer & Co., Buffalo, N. Y.

George M. Dixon, who had been purchasing supervisor for Tidewater Associated Oil Co., Los Angeles, has been made

Washington, D. C., representative.



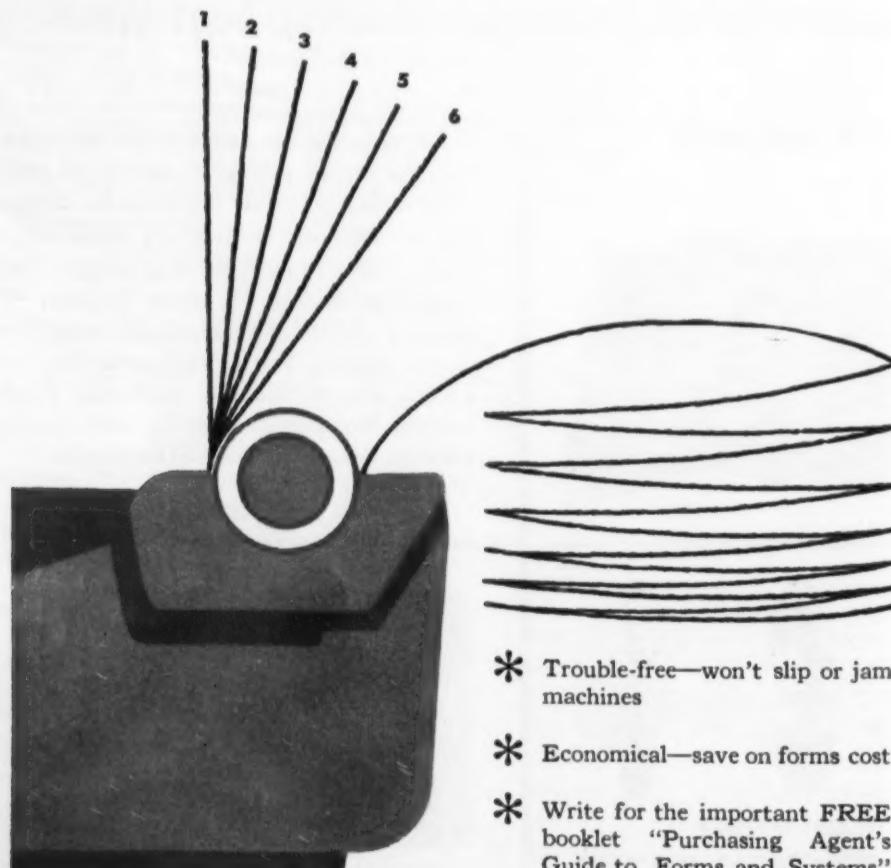
HUGH M. CARLETON has been named purchasing agent by Keasbey & Mattison Co., Ambler, Pa. He had been assistant to the purchasing agent before his promotion.

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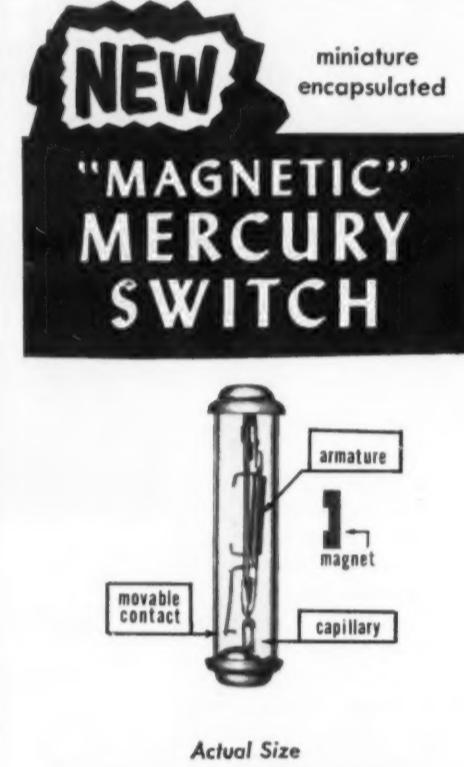
(DIVISION OF BALTIMORE SALESBOOK CO.)
3130 Frederick Ave., Baltimore 29, Md.

Obituary

James A. Lee, 57, director of procurement for the Automotive Division of American Motors Corp., Detroit, died May 9. He headed automotive purchasing operations since 1948.

Change Your Job?

Purchasing Week would like to have notification of all changes in purchasing personnel including appointments, promotions, and retirements. Obituaries, even of retired personnel, are sought. Please send material to Editor, "This Changing Purchasing Profession," Purchasing Week, 330 W. 42nd St., New York 36, N. Y.



CAPILLARY TYPE MAGNET OPERATED MERCURY SWITCHES

Movable contact in the hermetically sealed switch makes contact by penetrating opening in the capillary tube (see illustration). Capillary tube is positioned so as to be supplied by the mercury in the well.

VERY LITTLE POWER REQUIRED TO OPERATE SWITCH

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HIGH SPEED OPERATION

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VARIABLE MOUNTING ANGLE

Operation is possible even if switch is tilted as much as 45° from vertical position.

ELECTRICAL CONNECTIONS

Electrical connections to switch are made through the metallic-end caps, eliminating lead wires attached directly to the switch. They are however, available with lead wires of various lengths.

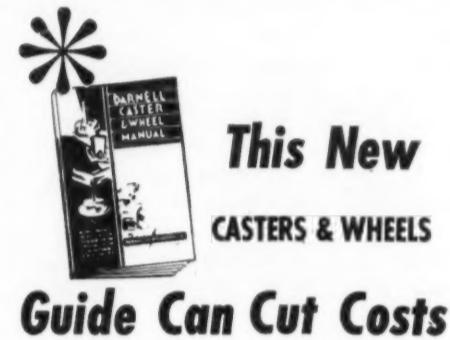
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CLASS 3 THREADS WITH HORTON CHUCK!

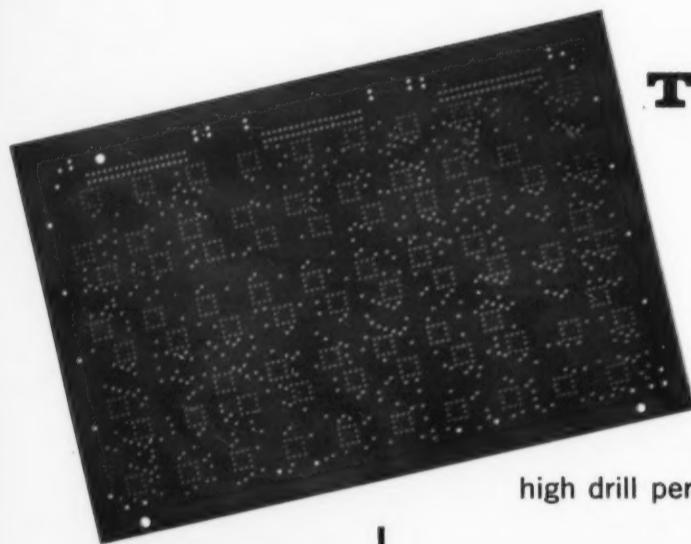
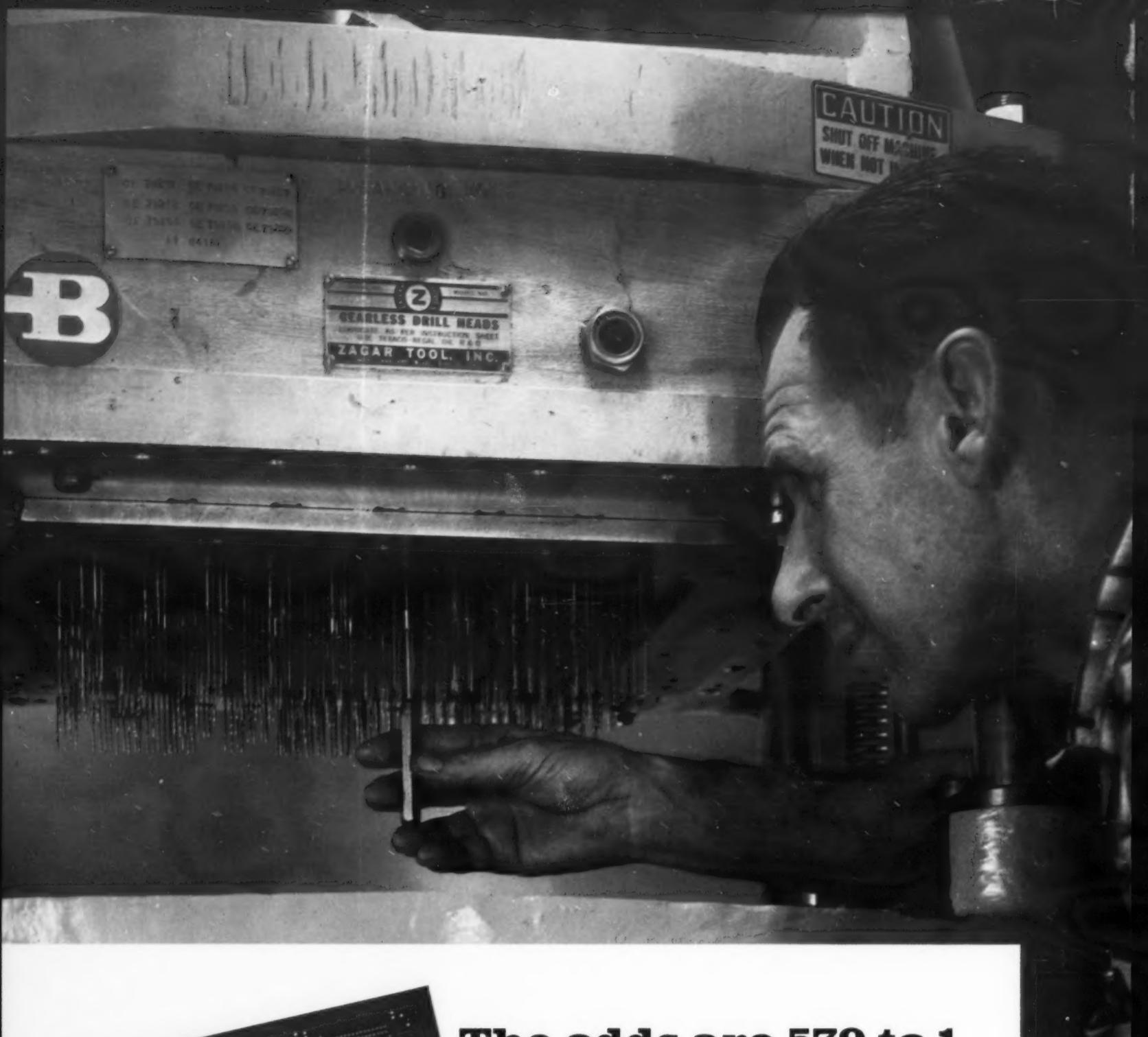
What do we mean, talking about chucks and class 3 threads in the same breath? Just this: unless the work is held concentrically and runs true, that die head which is the best there is for the job (Geometric, of course) cannot compensate for excessive "run out" in the chuck.

That's why you need precision chucks, for precision threading.

Running class three threads? Better check your chucks, "Chuck" out worn out chucks, and, replace them with new HORTONS.

GEOMETRIC-HORTON, NEW HAVEN 15, CONNECTICUT





On some plates such as
this one, up to 1014 holes
are drilled on one pass!

The odds are 579 to 1

Those are the odds on each drill in this setup at Burroughs Corporation's Tireman Plant in Detroit.

When a 3/32" circuitry panel of Epoxy glass,

copper clad .0014" both sides, contacts these

580 "Greenfield-Ampco" drills, failure of any

one drill would offset the efficiency of the other

579 on that pass. And each pass carries the

same odds! So a job like this demands not only

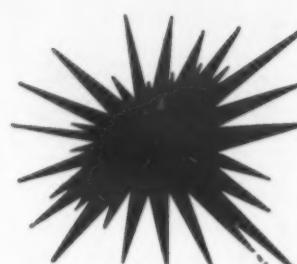
high drill performance, but highly uniform performance as well.

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Explosive Forming: New Metal-Working Tool



New Technique Grew From Lab Curiosity To Practical Tool

Explosive forming has developed almost overnight from a laboratory curiosity into a practical production technique for solving some of the specialized problems of the metalworking industry.

The theory behind explosive forming is simple. A cartridge is exploded near a piece of metal that is held inside a die. The force of the explosion pushes the metal against the die, shaping it.

Centered in Aircraft

Although the majority of present explosive forming work is centered around the aircraft and missile industry, the new technique had its debut with a more commercial product, a large exhaust fan hub. The Moore Co., Marcelena, Miss., first fabricated the hubs in 1950. It used dynamite as a source of energy and water as a pressure transmitting medium to force the metal against the die.

Most of the companies that are experimenting with the technique have designed their own facilities and procedures. At present, explosive forming is not so much a tool to replace conventional forming methods as it is a method of forming metals that cannot be worked any other way.

Must Be Used by Experts

Although explosives offer no particular dangers if handled carefully, they must be used by experts only to assure safety. The tremendous hitting power of explosives packs 15 times as much wallop as a giant press that may be nine stories tall and weigh 11,000 tons.

So far most of the common high explosives and some of the low explosives have been used, at least on an experimental basis.

This new fabrication technique also appeals to cost conscious manufacturers more who must shape a limited number of vital parts but who cannot afford to invest large amounts of money in tools that would lie idle most of the time.

Others Considering Its Use

Manufacturers other than "misslemen" are thinking about possible uses. A maker of pleasure boats in the Southwest has one explosive manufacturer at work looking for a way to blast aluminum sheets into 25 ft. long hulls, free of rivets and ribs. Graver Tank & Mfg. Co., of East Chicago, Ind., is ironing out problems associated with shaping heads for 8-ft. dia. pressure vessel tanks by explosive forming.

Some of the economically attractive features of explosive metal forming are:

1. Dollar outlay for tooling is much lower than that required for conventional processes.

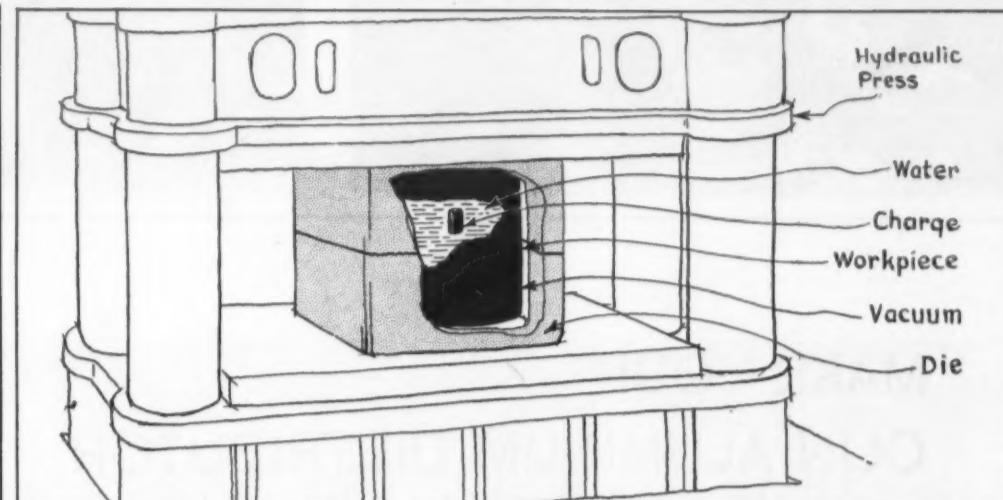
2. A minimum amount of capital equipment is needed.

3. Good uniformity of product is achieved from part to part.

4. There is minimum springback after forming.

5. Alloys that cannot be worked any other way can often be formed by explosive forming.

Although most companies experimenting with explosive techniques seem to be working along the same basic lines (all systems except Convair's 'Dynamak' use

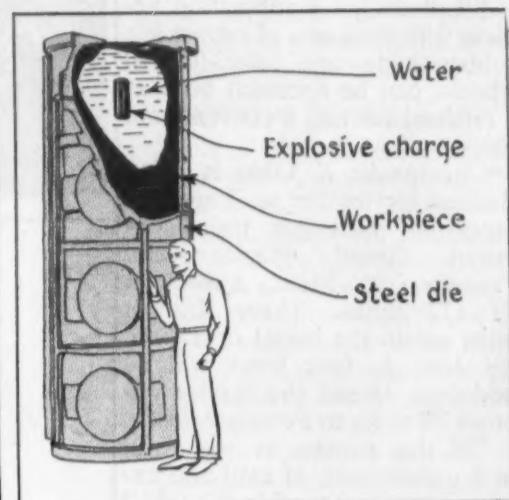


Closed press. Winchester-Western Division of Olin Mathieson Chemical Corp., makes noise suppressors for Boeing's 707 with the aid of a hydraulic clamping press, dies, and a propellant charge. Estimates say it would cost \$500,000 to set up equipment to produce these tubes by conventional methods and only \$15,000 to \$20,000 by the explosive method.

The total number of steps needed to make the part was cut from 13 to 6. A stainless steel tube is placed in a die

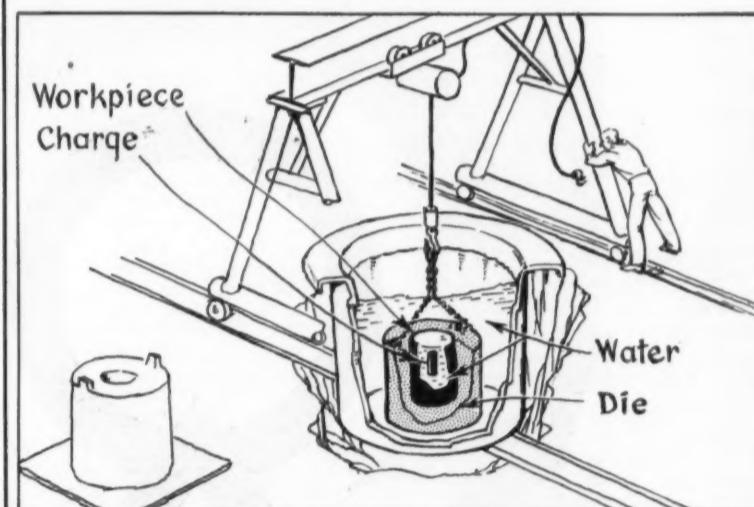
which is held in the clamping press. A packaged power cartridge is placed inside the tube which is then filled with a water-base solution. The die then is closed and clamped and a vacuum is drawn between the die and the workpiece. The vacuum is needed because any air trapped between the die and the workpiece would deform the piece. The charge is ignited and the explosion shapes the part against the walls of the die.

To date, Winchester-Western has made over 10,000 noise suppressors.



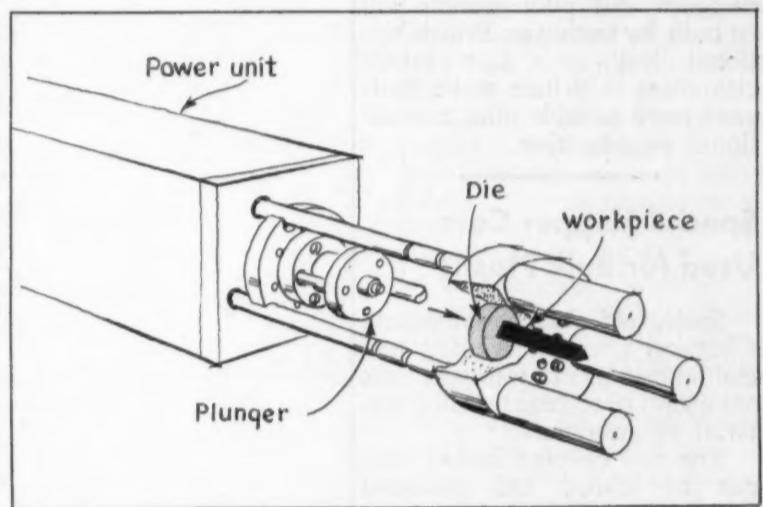
Ground level die. The Pilotless Aircraft Div. of the Boeing Aircraft Co. is using explosives to stretch fuel tanks for guided missiles. Fabricating methods deform the walls of the tank during heat treatment. In order to correct these defects, the tank is placed in a two-piece sizing die and filled with water.

An explosive charge is lowered into the tank and remotely set off. After the blast, the water is drained and the die is opened. The fuel tank is then ready for final inspection.



Water-filled pit. Ryan Aeronautical Co., San Diego, has been using explosive forming to produce complex aircraft parts from hard-to-form alloys. This method takes 15 min. as compared to the 8 to 10 hr. required to do the job by conventional methods.

A metal part is placed in a die and immersed in a water-filled pit. An explosive is then positioned in the die and set off. The explosion forces the water against the part which in turn conforms to the shape of the die. Water blows out the top like a geyser.



Dynamak. Convair Div. of General Dynamics Corp. developed a machine which offers many of the advantages of explosive forming without using explosives. Dynamak uses high pressure gas to slam a die into a workpiece at extremely high velocities. At these speeds many metals, even high strength, high temperature steels, behave as though they were plastic.

The machine is used mainly for solid pieces which can be extruded or forged into shape. It is the only commercial machine on the market utilizing explosive forming principles. Prices range from \$20,000 to \$50,000.

an explosive charge) they are using different systems of holding the shaping die. The three major methods, below ground, ground level, and hydraulic press, are illustrated above.

Industry opinion is that the explosive process will never obsolete heavy metal working presses. It is believed that it will extend the range of metal forming possibilities, but the very nature of the process is such that it cannot be competitive costwise with many conventional forming techniques.

The facilities for explosive forming require considerable planning and investment. An interested company should start by finding an experienced engineer to handle the job. Many companies with facilities are now actively soliciting subcontract work and they probably have enough facilities to handle the needs of the immediate future.

Additional Sources of Information

Aerojet-General, Azusa, Calif.—Manufacturing parts, subcontracting.
Bendix Aviation, Detroit—Manufacturing research.

Convair Div., General Dynamics Corp., San Diego—Dynamak machine.
Du Pont, Wilmington, Del.—Explosives research.

Furane Plastics, Inc., Los Angeles—Explosives manufacturer.

Grumman Aircraft Co., Bethpage, L. I., N. Y.—Manufacturing research.

King Press Co., Los Angeles—Manufacturers press for explosive forming.

Lockheed Aircraft Corp., Burbank, Calif.—Air Force research contract.

Moore Co., Marceline, Mich.—Manufacturing parts.

National Northern Corp., West Hanover, Mass.—Explosive manufacturer.

Naval Ordnance Test Sta., Chinalake, Calif.—Compacting powder metals.

North American Aviation, El Segundo, Calif.—Manufacturing research.

Olin-Mathieson Chemical Corp., Chicago—Explosives, subcontracting.

Ryan Aeronautical Co., San Diego—Manufacturing parts.

Pratt & Whitney, East Hartford, Conn.—Manufacturing parts.

Propellex Chemical Corp., Edwardsville, Ill.—Explosives manufacturer.

North American Aviation, Conoga Park, Ill.—Manufacturing research.

C. & O. Launches 'Railvan' Service

Cleveland—A new transportation service, (see pictures at right), expected to vie with "piggyback" in cutting rail costs and producing shipper benefits, has been launched by the Chesapeake & Ohio Railway.

"Railvan," a combination vehicle with dual sets of retractable rubber-tired and steel-flanged wheels, can be operated both as a railroad car and a conventional truck trailer.

Chesapeake & Ohio is using Railvan service for mail and express on passenger trains between Grand Rapids and Traverse City, Mich., a distance of 172 miles. Three Railvan units are in the initial operation. By June 1, four more will be added to extend the service another 78 miles to Petoskey, Mich.

"If this proves as successful in the movement of mail and express as we feel confident it will," commented Owen Clarke, C. & O. president, "it may be extended eventually to the movement of less-than-carload freight."

Railvans now move on the highway to and from post and Railway Express Agency offices in Michigan areas. The vans are 26 ft. long and have a load capacity of 27,500 lb.

The models now in use were built for the C. & O. by Visioneering Co. of Cleveland. A British version of Railvan, based on the C. & O. models, has been designed and pilot models will be built for testing on British National Railways. Low tunnel clearances in Britain make Railvans more suitable than conventional piggybacking.

Special Hopper Cars Used for Bulk Plastic

Springfield, Mass.—Monsanto Chemical Co. now is using special hopper cars to transport bulk shipments of styrene molding material to customers.

The new covered hopper cars can be loaded and unloaded pneumatically. Monsanto inaugurated this service several weeks ago when it shipped 100,000 lb. of the plastic material from its plant here to Amos Molded Plastics in Edinburg, Ind., one of the country's largest custom molders.

According to Monsanto, "bulk receiving can result in definite in-plant economies for volume users of plastics raw materials, depending on types of materials handled, the equipment used, and the plant layout."

Rates Down on Carload Lumber Shipped in Calif.

San Francisco — California's Public Utilities Commission has finalized its decision permitting railroads to reduce rates on carload shipments of lumber within the state.

The commission allowed the rate reduction last Dec. 26, a few days after lowered interstate rates became effective, but continued public hearings to hear trucker objections. Now it has found the rates to be above a minimum reasonable level, and "justified by transportation conditions."



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Railroads to Argue Key Rate Case Before I.C.C.

(Continued from page 1) to do is clear the way for selective rate reductions where they think they can tap larger volumes of freight. It is part of the overall move by the rails to cut into truck and waterway competition. Already, the rails have offered a whole series of new rates based on volume shipments—piggyback rates, two-box car volume rates, and annual contract rates for near exclusive shipment.

These rates, just as the reduced paint rates, have mainly been suspended by the I.C.C. while it

conducts extensive investigations into the matter.

Faced with a continuing drain on rail traffic by truck and waterway competitors, the railroads are making an all out effort to recapture freight business.

The financially distressed railroads only won a marginal victory last year when Congress sought to legislate aid to the lines. President Eisenhower has twice called for major transportation studies that reportedly have been aimed at easing the railroads' plight. Other proposals

are under consideration to re-vamp federal transportation regulation.

The key to the railroad problem, however, is rate making. And, it is necessary to dig deep into this in order to understand what is going on today.

When Congress enacted the Transportation Act of 1958, the measure met with mixed reaction. The railroads viewed the law as a congressional mandate for more freedom in transportation regulation—particularly in rate making. Admittedly, however,

Congress did not vote the sweeping regulatory changes the rails wanted.

Truckers hailed the new law as a "no change" piece of legislation that in their interpretation left transportation regulation in a status quo. The Interstate Commerce Commission, charged with regulating the nation's transportation system, took a middle of the road approach. It said that Congress had merely added another factor to be considered in deciding rate regulation, not a complete new set of ground rules to go by.

Obviously, the law can be read two ways. While telling the I.C.C. not to hold an "umbrella"

over any form of transportation in deciding on rates, Congress watered the matter down by adding that the decisions should fall within the over-all objectives of the National Transportation Policy.

The railroads have taken the "no umbrella" portion of the new law as the basis for asking the Interstate Commerce Commission for a series of new and lower rates. Truckers have opposed these rates generally on the second portion of the law pertaining to the objectives of the National Transportation Policy.

To Prevent Wars

Generally, the objectives of the National Transportation Policy call for the I.C.C. to regulate the various modes of transportation, rails, trucks and domestic waterways, so that destructive rate wars are not engaged in to eliminate competition, either between types of transportation or within an industry—truck vs. truck for example.

Rate squabbles between transportation media arise mainly over proposed reductions in rates.

A key factor the I.C.C. uses in determining whether a rate is too low for competitive reasons is whether the rate earns a profit for the carrier. The Commission doesn't want carriers to cut rates below transportation costs just to rob traffic from competitors. The theory is that once competition is eliminated, the rates would go up.

What Rate Earns a Profit?

There is hot controversy, however, in determining whether a rate earns a profit or not. And, this is the area where truckers and rails have their most bitter fights.

The rails claim that as long as a rate is high enough to pay the out-of-pocket costs of handling freight, plus earning a reasonable return on investment, it should be allowed by the I.C.C.

Competitors, however, want each rate to include a "fully-distributed" share of a carrier's total operating costs. This, obviously, makes for a higher minimum rate level. And, with some exceptions the I.C.C. has tended to go along with this reasoning in past years. It has brought charges by the rails that the I.C.C. in effect allocates freight through its control over rates.

The railroads thus have launched an all-out fight against this rate-cost concept. They argue that if they could offer shippers lower rates—figured on the out-of-pocket cost method—it would generate more traffic and in the end result in greater total revenues.

The competitors, however, claim this is merely a veil the rails are using to get into selective rate cutting. The result will be rate wars, the railroads' competitors argue.

Atom-Powered Tanker Submarine Under Design

Washington — The Electric Boat Division of General Dynamics has been given the green light and a \$37,681 contract from the Maritime Administration for designs and test models of a nuclear-powered submarine tanker.

Cost of building an actual 20-knot, 20,000 deadweight ton submarine tanker has been estimated at under \$20 million.

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Lafayette Steel & Alum. Corp.
4100 S. Karlov Ave.
LAfayette 3-7632

LOUISIANA
NEW ORLEANS 9
Woodward Wight & Co. Ltd.
451 Howard Ave.
P.O. Box 370
TULane 2471

MARYLAND
BALTIMORE 11
Brass & Copper Supply Co., Inc.
501 W. 23rd St.
BElmont 5-1500

BALTIMORE 24
A. M. Castle & Co.
P.O. Box 5295
DICKens 2-4000

MASSACHUSETTS
BOSTON 10
Kelco Metal Products Co.
51 Sleeper Street
HUBbard 2-1737

WORCESTER
Kelco Metal Products Co.
61 Milton Street
PLEasant 3-7625

MICHIGAN
DETROIT 34
Production Steel Products Inc.
20001 Sherwood Ave.
TW. 3-5000

MINNESOTA
MINNEAPOLIS 14
Keeler Steel, Inc.
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FEDERAL 3-4291

MISSOURI
NORTH KANSAS CITY
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GRand 1-3666

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NEW BRUNSWICK
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CHarter 7-8400

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Riverside 7920

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FRanklin 5-5508

OHIO
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Midwest Aluminum Supply Corp.
2530 W. 3rd St.
PProspect 1-6595

CLEVELAND 5
The Universal Steel Co.
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VULcan 3-4972

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2101 So. Villa
P.O. Box 1234
MEirose 4-1492

PENNSYLVANIA
PITTSBURGH (McKees Rocks)
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Excel Steel Co.
200 Bradley St.
FEderal 1-8200

PHILADELPHIA 31
North American Brass & Copper Inc.
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TRinity 8-5300

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Steel Supply Co.
Beverly Road
MYrtle 1-1163

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DALLAS
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CHapel 7-3104

HOUSTON
McCormick Steel Co.
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ORchard 2-6671

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Alu-Metals Supply Corp.
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TAylor 9-0800

Casting Alloy Distributors
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ANNISTON
L. A. Draper Metals, Inc.
330 S. Noble St.
ADams 7-3585

OHIO
CLEVELAND 13
Midwest Aluminum Supply Corp.
2530 W. 3rd St.
PProspect 1-6595

CALIFORNIA
LOS ANGELES 23
McGowan Co., Inc.
1205 South Boyle St.
ANGeles 3-7575

OAKLAND 20
Globoly Metals Inc.
1820 - 10th St.
Higate 4-7249

DELAWARE
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GENERAL CONVENTION CHAIRMAN David Gibson has been the administrative head. "My job has been to organize; the real work has been done by others," he says. His biggest contribution has been to outline in detail responsibilities of all special committee chairmen.



NEW YORK HOST is president F. Stan Romane of the N.Y.P.A.A., who will welcome delegates from all over the country. Four years ago the New York association was also host, next year it will be Los Angeles. To select an available location requires 5-yr. planning.



SELECTING TOP NOTCH SPEAKERS for morning sessions has been Gailon Fordyce's task as program chairman. He has taken many trips to hear speakers and create an integrated program. As the heart of the convention, the program is approved by national executive board.

Here are the people behind the . . .

Organization of the

From June 14-17, New York City will be the site of N.A.P.A.
Planning a convention this size in the world's largest city



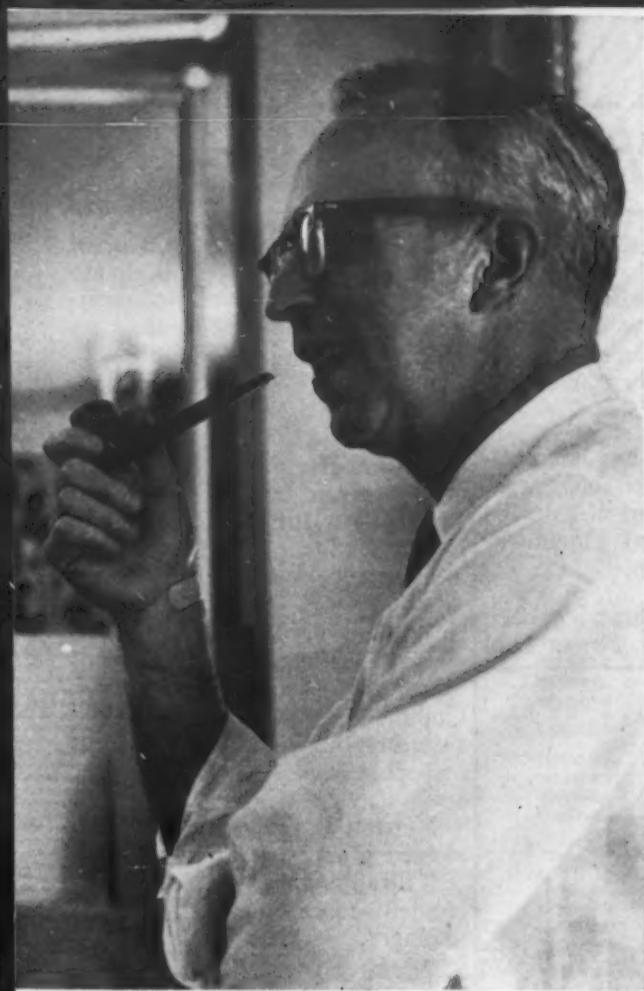
IN DEVELOPING PROGRAM for sessions, Fordyce and vice chairman Don Lyons used tape recorder to audition . . .



. . . TALK OF EVERT WELCH of Minneapolis, who'll discuss his special interest of inventory control.



HANDLING PUBLICITY for the convention, committee chairman Don Keliher received assistance from Bob Davis, N. Y. Secretary.



SLEEVE SUPERVISOR of details is National Execy. Howard Ahl in New York. Because the national office is responsible for budgets and finance, Howard Ahl and national office staff handle many of the details of planning, registration, and contracts for local group.



ARRANGING ACTIVITIES for 700 women attending the convention has been handled by Ann Repko. Pre-convention work has included inspecting hotel facilities for a fashion show and luncheon, arranging tour and selecting gifts. New York attracts many women to convention.

Organizing a convention for 2,800 purchasing agents in New York takes planning. Groundwork began more than a year ago after Dave Gibson, vice president of purchases at Worthington Corp. was selected by the New York chapter as general convention chairman. One of his first tasks was to meet with the Chicago chairman at last summer's convention.

All suggestions for running the convention were gathered together in a 25-page manual. Sent to all selected committee chairmen last August, it has since served as a complete job outline. By February, 85% of the planning had been completed, with only last-minute plans left before opening day.

Of the 12 selected by N.Y.P.A.A. for convention planning, five had served previously at the 1955 New York convention. The only committee chairman not appointed by the New York host chapter was the general program chairman. Because the program is the heart of the convention, it is the responsibility of the national office to give final approval.

As the convention draws near, work for most chairmen is completed. But for a few, like Bob Unger (Inform-A-Show) and Harold McIntosh (Reception), committee work begins when the annual convention opens June 14 in New York.

Convention

annual convention, with 2,800 P.A.'s attending.

requires lots of behind-the-scenes activity.



TO HANDLE registrations, asst. national secy. Frank Winters enlisted help of four extra hands for two months.



COMMITTEE MEMBERS often consulted convention manual as are C. H. Reilly (Services) and general vice chairman Bill Rae.



ENTERTAINMENT was chosen by Ed Krech (left) John Snedeker (right), seen backstage at Waldorf.



JOE DiMAGGIO, center, signs the contract as company president V. H. Monette, left, and William T. Ingram, Reynolds Metals Co., look on.

DiMaggio Signs Firm To Sell Aluminum Foil

Richmond, Va.—This salesman is finally turning the tables on autograph seekers—although you may want to have a baseball handy if he walks into your office. Joe DiMaggio, former star outfielder for the New York Yankees, is vice president of the V. H. Monette Co. of Smithsfield, Va. The famed "Yankee Clipper" is shown as he signs another contract—this one on behalf of his firm as exclusive agent for sales of Reynolds Aluminum foil to government agencies throughout the United States and overseas.

In the World of Sales

Robert M. Hatfield, formerly vice president in charge of manufacturing, **Combustion Engineering, Inc.**, New York, has been named vice president and general sales manager in charge of domestic sales.

Robert A. Bode has been advanced from general sales manager to vice president of sales by the **Hartford Special Machinery Co.**, Hartford, Conn.

Robert B. Humphrey has been made sales manager, **Power Tool**

Division, Rockwell Mfg. Co. of Canada, Ltd., and will headquartered in Guelph, Ontario. Humphrey had been East-Central regional manager of Rockwell Mfg. Co.'s Delta Power Tool Division, Pittsburgh.

Russell Herig has been elected vice president of sales for **Beaver Pipe Tools, Inc.**, Warren, Ohio. D. W. Lininger has been named assistant sales manager.

William J. Johnson and **Edward P. Williams** have been promoted by **Boston Gear Works**, Quincy, Mass., to manager field sales and manager internal sales respectively.

Newton J. Friese, Jr. has been elected a vice president of **General Strapping Corp.**, New York. He will continue to act as sales manager.

Four new sales posts have been filled by **Crane Co.**, Chicago: **Clarence E. Watson**, general manager of atomic energy sales; **Darrell R. Nordwall**, general manager of branch sales; **Charles H. Lovelace**, general manager of engineering sales; and **R. W. Lindsay**, general manager of wholesaler sales.

John F. Mano has been appointed U. S. general sales manager for **REAL Airlines**, Miami.

Arthur C. Cocagne has been made director of sales by **Melettron Corp.**, Los Angeles.

Clinton F. Hegg has been named vice president—sales by **Libbey-Owens-Ford Glass Co.**, Toledo. **A. P. Plant** has been elected vice president—industrial sales and **E. R. Pierce**, vice president—distributor sales.

Edwin J. Du Bane has joined **Burroughs Mfg. Co.**, Kalamazoo, Mich., as sales manager. He had been sales manager of Woodlin Mfg. Co.

E. E. Mackett has been appointed vice president of sales and operations, **Western Auto Supply Co.**, Kansas City, Mo.

Richard W. Koch, vice president and general sales manager, **Standard Packaging Corp.**, New York, has been elected a director of the firm.

Charles J. Betz has been promoted to manager of outside sales of industrial fasteners by **Standard Pressed Steel Co.**, Jenkinsburg, Pa.

William J. Tull has been named vice president, avionic engineering and sales, at **General Precision Laboratory, Inc.**, Pleasantville, N. Y.

Charles M. Doscher, head of chemical sales for Dow Chemical Co.'s New York office, has been assigned the new post of sales manager of chemical for the firm's international companies, **Dow Chemical International Ltd.**, S.A. and **Dow Chemical Inter-American Ltd.**

John C. Jewett has been advanced to vice president—sales for the **Pittsburgh Division of Screw & Bolt Corp. of America**.



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**A new plan to protect your lighting investment:
Sylvania fluorescents must give you more light at
lower cost than any other brand...or cost you nothing!**

Now, Sylvania fluorescent lamps *have got to outperform all other brands* on the basis of uniformity of performance, uniformity of appearance, maintained brightness, and life. They *must* give you more light, at lower cost, than any other brand!

Because if they don't, they cost you nothing.

Under a unique new policy, every large, regular user of Sylvania fluorescent lamps can have his lighting investment insured by Sylvania—at no cost to himself! If Sylvania's flu-

rescents do not live up to these claims, Sylvania refunds full purchase price.

How can we afford this kind of protection?

Answer: We know our product. We have studied it, worked with it for years to put it in a clear position of quality leadership. We can't lose.

And what better time to offer this new insurance than 1959—the year in which Sylvania engineers have swept *light-years* ahead of competition in fluorescent lamp efficiencies. For Sylvania fluorescents now give over 75

lumens per watt in the 75-watt, 8-foot lamp size . . . over 70 lumens per watt in the 40-watt, 4-foot size.

Ask your Sylvania representative or supplier to see a copy of the new Sylvania Light Insurance policy. And insist you get a policy with your next purchase. *If you prefer, write to us direct.*

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9 ways to cut your battery costs

1 LOCAL AVAILABILITY

From coast to coast in virtually every market there are Willard distributors to serve your fleet requirements... Willard factory will bill you direct at any point you designate.

2 DIRECT FACTORY BILLING

means lower price, therefore, lower cost per mile. One-step billing procedure saves you time and paper work, too.

3 NO MONEY CHANGES HANDS

—In the field or at the terminal, all battery purchases are handled by your requisition.

4 LOWEST BATTERY COST

—Willard's low fleet prices mean you get the highest quality batteries at the lowest possible prices.

5 GUARANTEED PRICES

—Regardless of the battery type or where the battery is purchased, you pay only established factory prices.

6 COMPLETE LINE

of Willard batteries for truck, bus, tractor, taxicab, off-the-highway equipment, diesel, for all types of vehicles... dry charged or factory filled.

7 GUARANTEED QUALITY

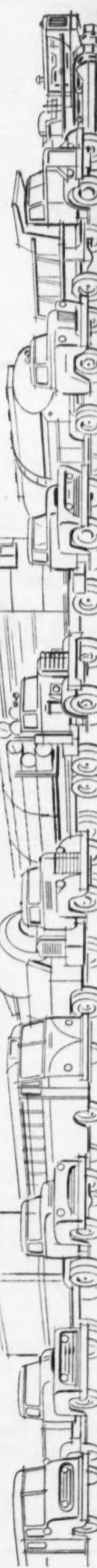
—You get same guaranteed dependability and quality in every Willard battery no matter where it is purchased.

8 GUARANTEED OPERATING COST

—All pro-rata adjustments are based on your purchase price. You pay only for service obtained.

9 FLEET ENGINEERING SERVICE

—Trained specialists are available to help you solve your technical battery problems.



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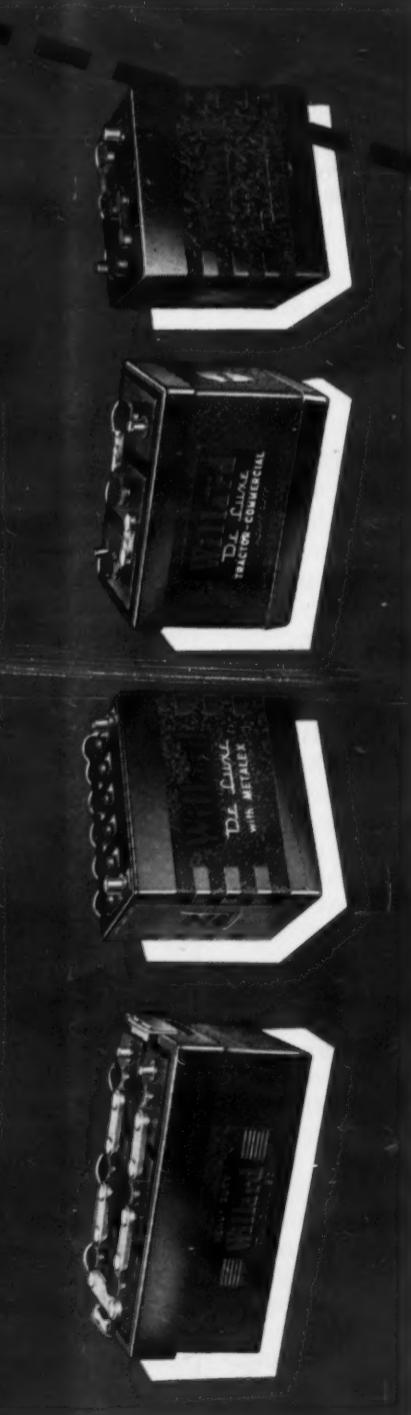
City _____

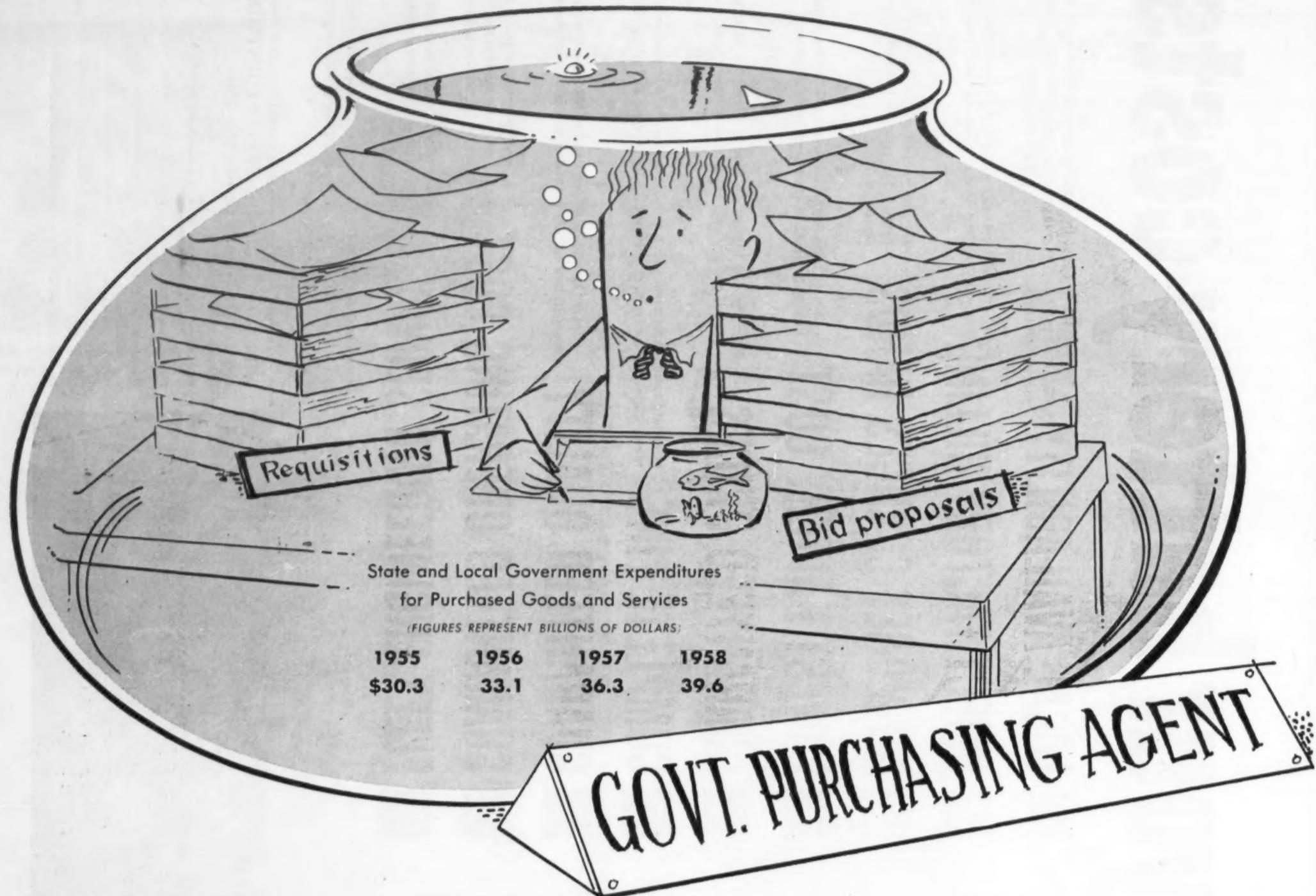
State _____

Approximate number of vehicles in our fleet is _____



Willard DIRECT BILLING FLEET PLAN





Spotlight on 'The Goldfish Bowl' . . .

P.W. Finds Government P.A. Recognition on Rise

New York—After personnel costs, the largest regular expenditure by Federal, state, and local governments is for goods and services. As procurement needs continue to grow, so does the insistence on more proficiency in stretching tax dollars. This responsibility falls heavily on the shoulders of one man—the public buyer.

This special PURCHASING WEEK report turns the spotlight on the "Goldfish Bowl"—the office of the governmental purchasing agent. Through a major P.W. survey of top men in the field and interviews on subjects of vital importance, the report discloses his broadening responsibilities, his mounting problems, his success at solving them, and the compensation and stature that accrue from his efforts.

1. The Post

There are basic similarities between industrial and governmental purchasing in that each must obtain the best quality at the best price at the right time. Each must also consider vendor performance and other necessary contract requirements.

But, for all intents and purposes, the similarity ends there, for there is a vast difference in the manner each performs.

The industrial purchasing executive, for instance, can negotiate in secret and keep his purchasing records confidential. The governmental purchasing executive can do neither. Because he spends tax dollars and not private funds, his operations are open to public inspection.

His expenditures for goods and services are controlled by specific laws and regulations. Where the

industrial buyer can negotiate, the public buyer in most cases must buy on competitive bids, except for purchases of \$1,000 or less in the majority of agencies.

PURCHASING WEEK's survey showed that centralized purchasing has now taken hold throughout most levels of governmental buying operations, and with it the duties of the public buyer have become greatly enlarged.

Governmental P.A.'s report that within the past five years, they have taken on such new functions as automotive and traffic management; property reutilization and salvage; property acquisition; buying bonds and fire and liability insurance; selling and distribution of governmental publications; buying for library needs, and forecasting for budget preparation of other departments besides purchasing.

In many areas too, depending

usually on size, purchasing agencies operate central stores or warehouses. Specific controls on inventory "ceilings" and regulations governing surplus public property make this a hefty task in itself.

With the fast-moving trend toward better management of government affairs in general, there is a strong movement toward more careful selection of public purchasing executives with an eye to retaining them in office.

In more than a dozen states now, the P.A. enjoys civil service status. This also has spread into county and city operations with the majority of agency employees working under a merit system of some kind.

More government management also are making the purchasing agent's tenure unaffected by changes in administration by setting the term of office anywhere from two to eight years. This, however, is slow in spreading.

This emphasis on better government management, particularly as it concerns purchasing, is gradually filtering out the once widespread influence of politics. It is enabling the governmental purchasing executive to perform, without restrictions, all the components of good public buying—simplification, standardization, specification, competition, inspection, and utilization.

Dyer Holds Integrity As Major Requirement For Government P.A.'s



JOHN DYER, purchasing agent for the State of Maine

be imbued with the 'interest' in getting the most from the tax dollar, the 'initiative' to introduce new methods, new sources of supply, etc., the 'imagination' to find more than one way to reach the goal. The keystone in the archway to top flight governmental purchasing is 'integrity,' the quality of being honest.

"There is a great need for integrity in this profession because it serves the citizens of the community. Governmental purchasing operates in a goldfish bowl and the purchasing official never knows when he will be called upon to justify any action taken by himself or actions taken by his subordinates.

"Integrity in public buying has no line of demarcation. Integrity must be a trait within the individual, it cannot be assured by law, rules, or regulations."

On the point of the public purchasing official being ultra-conservative even in his personal living to insure his integrity, Dyer says, "I believe he should live within his means, which is basic for any individual. He should be neither pretentious nor austere. Conservative living should arouse no one and cast no reflection upon the person's integrity."

"Governmental purchasing with integrity can withstand assault without fear, contrary practices eventually succumb to the call of the more virtuous processes."

Ward Believes More Professional Buyers Should Fill the Posts



JOHN F. WARD, purchasing agent for the City of Chicago.

In the past 10 years, the governmental purchasing agent has made tremendous strides toward building stature for himself and his profession, declares John F. Ward, purchasing agent for Chicago.

"As a result, government management has found it can save a lot of headaches by bringing professionals into purchasing," he adds.

The Windy City P.A. pointed out that the improvement has been especially noticeable in recent years on the municipal level with fewer and fewer ward heelers or party hacks being placed in purchasing spots for faithful service to the winning political party.

Winner of the 1952 "Distinguished Service Award" of the National Institute of Governmental Purchasing for his efforts in promoting better purchasing practices, Ward says a common failure in public buying is giving a man who is nothing more than an order writer the title of purchasing agent.

"The P.A.'s basic authority should be well defined by top management, and the P.A. should prepare for top management the program which defines his role and then sell management on it," he says.

Ward, who has cabinet status and reports directly to Mayor Richard J. Daley, says the governmental buyer can gain greater recognition in the following ways:

1. Be a member of a professional organization such as N.I.G.P. and attend the group's meetings and conventions on a regular basis.
2. Attend college courses in purchasing where available.
3. Visit and consult with top purchasing people.
4. Read and study published material on governmental buying.
5. Excite top management's interest in purchasing through good reports.
6. Demonstrate to top management in government that you're using the best methods available for purchasing.

2. The Problems

Two big headaches which have been bothering public buyers for years are now tending toward migraine as supply and service needs expand.

First is the constant problem of drawing specifications that are descriptive yet not restrictive to assure the necessary quality at the best price. Attempts at solv-

ing this dilemma have initiated a trend toward greater specialization in governmental purchasing.

This trend is slow in progressing, however, due largely to another pressing problem—finding and retaining qualified purchasing personnel.

The survey disclosed that many state and local agencies have set up their own training programs to ease this situation. They are also attempting to recruit college graduates, especially those with professional degrees.

William E. Stevenson, Minnesota's Assistant Commissioner of Administration, reports, "Within our salary framework, we have attempted to recruit college graduates with particular emphasis on engineers, pharmacists, and others, by emphasizing challenge, variety, and scope."

Here again another problem—low salaries—throws a wrench into the works. As Bernard Solomon, State P.A. for Massachusetts explains, "Underpay of civil service employees makes it difficult to keep a 100% competent staff. We are just struggling with it while we ask the legislature to act on it."

Many other perplexing situations fill the working day for the average governmental purchasing official. He is frequently hit with identical bids on certain items; paperwork tends to pile up; he often lacks adequate warehouse space; he must continually inform new vendors of the various policies and procedures that must be complied with; he has the problem of quality control and inspection at point of delivery, and on top of this, since he works in a goldfish bowl, he has the problem of good public relations.

This last problem is by no means the least. Former occurrences such as the complete overhaul of the politically influenced Georgia State purchasing department and a parallel example, in the State of Washington, point this out.

Chicago's John Ward, like others in the field, is very outspoken on this point. "Our public relations program now calls for daily reporting of previous day's activity and awards to the local press by daily press conferences," Ward says. "This helps by psychology to keep buyers on their toes for fear of adverse individual publicity."

Scaramuccia Points Out Lack of Personnel Adds Up to Large Headaches



ROBERT SCARAMUCCIA, purchasing director for Hempstead, N.Y.

"My biggest problem is finding time to solve all my other problems," smiles Robert Scaramucci-

cia, busy purchasing director for the nation's largest and still expanding town of Hempstead, L.I.

Scaramuccia points out that "newness"—his department was only set up in February 1958—and lack of personnel add to his woes. Also, many department heads still insist on purchasing for themselves as in the past and he must continually bring them in line.

"I'm making an all-out attempt at real volume buying," he explained, "which in many cases I'm sure can save us up to 30%. But I need cooperation and it's taking time for these departments to come around to my way of thinking."

Because of the growth of supply and service expenditures, the Hempstead P.A. is continually under pressure to give more business to local vendors.

"I've made up my mind to keep resisting this pressure," Scaramuccia says, "even though many of these vendors think they are entitled to more business since they're located in town. I feel if they can meet competition, they get the business. If they can't, they get nothing."

"As far as I am concerned, the purchasing job is non-political, and I intend to keep it that way."

He says he is constantly buying things he never bought last week, last month, or last year. On top of this, his problem will greatly increase sometime this fall when he starts buying for the town highway department. He is now buying for some 15 departments including the sanitation department, animal shelter, park department, building department, water department, and engineering department among others.

"Right now it's me and me alone, and boy do I need help."

3. The Pay

In general, salaries of governmental purchasing officials range anywhere from 15 to 20% below the salaries of their counterparts in industry. This monetary chasm adds to the constant and severe problem of retaining competent procurement personnel in government.

"I have excellent men as buyers on my staff," Henry Knouft, state purchasing agent for Kansas told PURCHASING WEEK, "and I wonder each day why they stay with us." This could be classed as a typical comment throughout

Better salaries would attract and retain the best men in public buying. This is the position taken by Los Angeles County P.A. Fred Calin, a man who makes tax dollars react like rubber bands.

"The governmental purchasing field is already well represented by men of outstanding ability," he states. "These men would command much higher salaries

and participate in such fringe benefits as stock options and profit sharing bonuses if they were in private industry.

"Better salaries would hold them in governmental purchasing. Better salaries also would as-

all levels of state and local government buying.

Civil service pay scales, in particular, are low by industry standards. This is even more noticeable in the higher brackets. Also, the public purchasing field is without most of the "incentives" found in industry, such as bonuses, company dividends, big salary hikes for exceptionally good work, etc.

In most cases, governmental purchasing salaries are based on one factor alone—length of service—although the starting salary is usually based on the type of job involved.

However, the past five years has seen a growing awareness among taxpayers of the outstanding job being done by public buyers in saving millions of tax dollars each year. With it has come talk of better pay scales dependent on the job done.

This trend was spotlighted in the P.W. survey which showed that salary increases for government P.A.'s in most areas over the past five years averaged between 20 and 25%. The survey also revealed that salaries usually hinge on the size of the community served.

The annual salaries for the purchasing heads of New York City and Los Angeles, Calif., respectively are \$20,000 and \$19,000, while the annual salaries for similar posts in Atlanta, Ga., and Winston-Salem, N.C., respectively are \$9,900 and \$7,900.

Other examples can be found in the accompanying chart on governmental salaries.

Calin Asserts Better Salaries Would Attract And Retain Best Men

Better salaries would attract and retain the best men in public buying. This is the position taken by Los Angeles County P.A. Fred Calin, a man who makes tax dollars react like rubber bands.

"The governmental purchasing field is already well represented by men of outstanding ability," he states. "These men would command much higher salaries and participate in such fringe benefits as stock options and profit sharing bonuses if they were in private industry.

"Better salaries would hold them in governmental purchasing. Better salaries also would as-



FRED CALIN, purchasing agent for Los Angeles County, Calif.

sure a continuing flow of quality personnel with experience and background to qualify them for public purchasing and would create a desire to make this their career."

Calin feels that the salary of a public buyer should be based on the same standards used in industry—that is his over-all value to the organization. The standard yardsticks of "savings" and "volume" he insists do not tell the whole story.

The L.A. official, who himself receives about \$20,000 per year and "earns" every penny of it according to his colleagues, adheres to compensation commensurate to the job done.

"Salaries should be based upon responsibility and performance and the acceptance of a purchasing program which includes all concepts of purchasing functions," he says, "such as determination and description of quality, standardization, determination of quantity, value analysis, testing and inspection, receiving, price policies, etc."

Fred Calin, incidentally, showed what he meant by "performance" when he completely furnished the new Los Angeles County Court House last year despite a 50% budget cut (see P.W., Aug. 18, '58, p. 1).

4. The Prospects

Opportunity in governmental purchasing is knocking today with a heavier fist than ever before. But, as in industry, much depends on the individual initiative and resourcefulness displayed.

PURCHASING WEEK's survey (Continued on page 24)

Approximate Salaries of Several State & Local Purchasing Positions

STATE POST	PURCHASING AGENT	ASST. P. A.	BUYER	SALARY INCREASES OVER PAST 5 YEARS
California.....	\$14,000 to \$15,600	\$12,000 to \$13,200	\$8,200 to \$9,800	20%
Kentucky.....	9,000 to 12,000	7,800 to 10,200	6,000 to 8,100	15-20%
Michigan.....	12,800 to 15,500	10,750 to 13,300	7,900 to 10,000	15-20%
New Jersey.....	14,000	9,400 to 12,200	6,700 to 8,700	20-25%
Wisconsin.....	13,000	8,300 to 10,000	7,000 to 8,400	10%
COUNTY POST				
Denver County, Col.....	\$8,600 to \$10,800	\$6,600 to \$8,400	\$4,800 to \$6,000	20%
Los Angeles County, Calif.....	16,500 to 20,600	11,900 to 14,800	6,900 to 8,600	40%
San Diego County, Calif.....	10,300 to 12,600	7,200 to 9,000	5,500 to 6,700	10-25%
Westchester County, N.Y.....	9,400 to 12,200	7,600 to 9,700	5,100 to 6,600	38%
CITY POST				
Atlanta, Ga.....	\$9,900	\$4,600 to \$5,700	\$3,600 to \$4,450	7%
Baltimore, Md.....	11,600 to 14,200	6,800 to 8,200	5,600 to 6,800	18-20%
Chicago, Ill.....	19,000	13,400	4,500 to 6,900	15%
St. Paul, Minn.....	11,000	8,700	6,400	15%

Government P.A. Recognition Rises

(Continued from page 23) showed that, as state and local governments rapidly expand the authority and responsibilities of central purchasing agencies, excellent employment opportunities are developing for trained and experienced personnel.

As the procurement function continues to advance to a high place in government administration, those already in the field are finding more opportunities for promotion to better paying positions, not only in the purchasing department, but in other areas of government as well.

As recognition of the public procurement function grows, a marked trend is developing, pushing the governmental purchasing executive toward "cabinet status."

A few public buyers have already attained this status. Most have not. Governmental purchasing agencies, in most cases, are still subdivisions reporting to another department.

Most governmental purchasing officials reporting in the survey argue in favor of this trend. Here are some of their comments:

"It would appear as though this era is approaching, dependent upon our ability to prove we merit this. If we are weighed and not found wanting—by performance, not profession—then we will achieve this recognition without difficulty." B. R. Cheyney, California.

"I believe there are many economical advantages in having the purchasing agent on a 'cabinet status.' Certainly, there is no one closer to most problems." W. F. Curran, Westchester County, N. Y.

"The governmental purchasing agent will have cabinet status when it is earned, and when the purchasing function reaches and obtains its proper respect and recognition." Robert K. Lowry, Fort Lauderdale, Fla.

Bush Says Previous Purchasing Experience Led to Present Position



JOHN W. BUSH, director of commerce, State of Ohio.

From 1949 to 1957, John W. Bush was Ohio's state purchasing agent. Today he is Director of Commerce for the state and holds a high place in Gov. Michael V. DiSalle's cabinet.

"Unquestionably," he asserts, "my previous experience in the purchasing field led directly to my present appointment. And it led just as directly to my becoming chairman of the board of the Old Judge Food Corp., St. Louis,

Mo., and a director of the R. C. Williams Co., a wholesale food concern in New York City."

Bush made these statements to point up the many and varied opportunities in the field of governmental purchasing. He says that public purchasing not only pays off in job satisfaction, but the education, training, and experience received gives the P.A. the advantage if he wishes to transfer to private industry and also the preparation needed for a higher government position.

In Ohio, for example, he says the state purchasing department has control of more than 85,000 different items. The department also must arrange for feeding,

clothing, and otherwise caring for some 50,000 wards of the state.

To accomplish the work efficiently requires exacting knowledge of merchandising procedures and the best purchasing techniques, Bush explains.

His main complaint: "We are not getting many young men who have planned on entering our field or who have trained specifically for the government purchasing operation."

Summing up his remarks, the Commerce Director says, "I feel that my previous experience as Ohio purchasing agent resulted in making available to me more opportunities than I ever could accept."



ALBERT H. HALL, executive vice president, N.I.G.P.

Hall Predicts Future Professional Category Certifying Purchasers

Albert H. Hall, executive vice president of the National Institute of Governmental Purchasing, Inc., whose members include public buyers from every level of state and local procurement, has his own idea on where the governmental purchasing agent is headed.

Identified with public purchasing for over 30 years, Hall predicts: "Someday there will be a professional category known as the Certified Public Purchasing Executive—a C.P.P.E."

How NS solved another special steel problem



Photos courtesy of Nuclear Systems Division, The Budd Company

RADIOACTIVE MATERIAL is handled remotely by operator from behind three-foot thick lead-glass wall. Nilcor strips, which make quick, accurate system response possible, can be seen running vertically from pulleys just above operator's hands.

He explains that certification in this field would imply both a legal and professional standard of competence in all major public procurement areas and responsibilities.

The association official said it could come about through state legislative action creating a board comparable to those in medicine, dentistry, and law. This state board would set up education, experience, and examination requirements for designation as a Certified Public Purchasing Executive.

He said this certification plan would operate by each state requiring by law that public purchasing agencies within its bor-

ders, with relation to volume, be headed by a Certified Public Purchasing Executive.

Emphasizing that these are his own ideas, the N.I.G.P. head adds: "Professionalization of this dimension would bring tangible rewards to the public purchasing executive."

"Salaries would reflect job requirements and responsibilities. The public purchasing agency would be directly and only accountable to the chief executive officer of the government unit which it serves. The Certified Public Purchasing Executive would have "cabinet" rank. He would take his place rightfully at the top management table."

G.S.A.—How It Operates and What It Does

A block away from White House grounds in Washington stands the seven-story headquarters of the General Services Administration, one of the lesser known federal agencies to the general public.

But G.S.A.'s operations are significant to many federal agencies and to business as well for it is the government's big central buying agency for civilian goods and services. It is assigned the important—and at times ticklish—task of helping arrange for hundreds of millions of dollars of purchases each year of tens

of thousands of different items. G.S.A. is often referred to as the government's housekeeping agency and it handles such diverse tasks as supplying elevator operators in federal buildings, maintenance, and acquisition of government buildings and office space.

The buying activities for civilian goods and services is centered in the agency's Federal Supply Service Division. Procurement of supply service in 1958 amounted to \$716.5 million.

To help handle the huge vol-

ume of business, the G.S.A. budget for the coming fiscal year calls for 325 purchasing officers. The jobs of these specialists are in many respects similar to those of any P.A. in the business world.

They are confronted daily with many of the problems facing their counterparts in private industry—but often on a larger scale. In addition, there are certain problems peculiar to the federal purchasing profession. G.S.A. officials list these as some of the most important problems facing the government P.A.:

• **Requirements**—Perhaps the biggest single one is to determine in advance the requirements for many thousands of items for which fixed rates of consumption cannot always be anticipated. In such situations, forecasts are based on historical trends and the assessment of the effect of future federal program plans on supply requirements.

• **Prices**—As in private industry, the contracting process is made more complex by the continual rise in commodity prices. Since supply schedule contracts generally run for a year, it becomes more difficult to get suppliers to enter into these contracts at a set price.

• **Specifications**—Specs must be reviewed constantly to keep up with the rapidly changing technology in American industry and with new and efficient products introduced.

• **Suppliers**—The government follows a policy of allowing all suppliers an equal opportunity to secure federal business where they can meet minimum standards. As a result, numerous changes are made in supply sources which involve a constant process of familiarizing suppliers with government supply practices and procedures.

In addition to these problems, the job of the G.S.A. procurement officer is complicated by the fact that Congress and the public are looking over his shoulder.

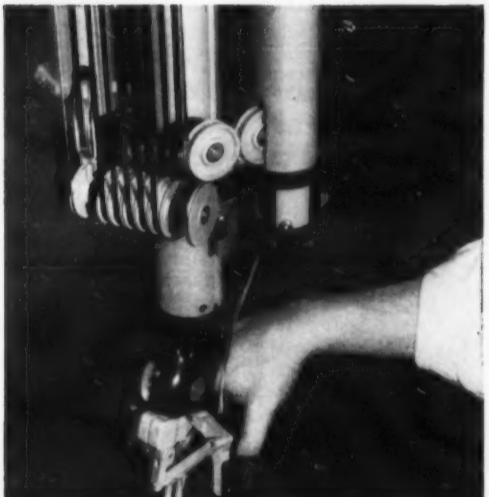
Purchasing offers numerous opportunities for advancement in the G.S.A.'s federal supply service. And it also can be a stepping stone to other executive positions. Several of the top ranking supply service career officials, served as purchasing agents at one time in their career. And G.S.A. follows a program of developing executives by moving candidates through various divisions to broaden their experience.

Salaries of federal buyers are good by private industry standards. Depending upon experience, higher-ranking jobs are in Grades 9 through 15, (see P.W., Apr. 27, '59, p. 1). Annual pay scales begin at \$5,985 for Grade 9 and go as high as \$13,970 for Grade 15 ratings.

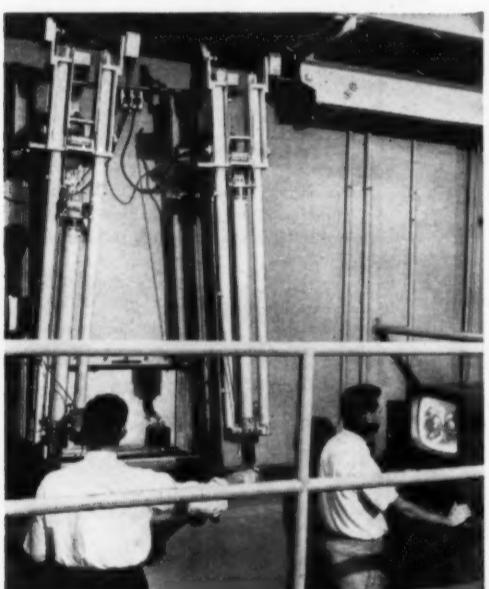
G.S.A. officials say they do not believe that state and local governments are able to buy at lower costs those items which the government buys in volume.—In general, G.S.A. feels that by reason of volume it actually obtains better prices.

On the other hand, it is pointed out that states and cities may have larger volume requirements for certain specific items that the federal government buys only in relatively small quantities. In such cases, of course, it is to be expected that the non-federal government buyers could negotiate a lower price.

SPECIAL NS-ATHENIA STEEL PUTS LIFE IN ATOMIC-AGE ROBOT



HAND MOVEMENTS at operator end of master-slave system are translated without distortion, or time lag through seven Nilcor strips (shown in photo) that travel through 15-foot belt and pulley system.



To manipulate radioactive materials with lifelike dexterity, from the other side of a three-foot thick protective wall, requires robot controls with a high degree of precision and quick response.

Ordinary cable or belt arrangements gave too much stretch between the operator's "master" hand movements and the identical "slave" movement at the other end of the system. Movements had to be translated almost instantaneously and duplicated exactly at the slave end of the system. To help solve this problem, robot system manufacturers came to the Athenia Steel Division of National-Standard to find a strip material that would serve in the belt-and-pulley arrangement of the mechanism with minimum stretch and friction and without backlash or overshooting.

NATIONAL-STANDARD ENGINEERS at Athenia in Clifton, N. J., recommended Nilcor* strip (basically a cobalt-chromium-nickel alloy) because of its high fatigue resistance, high tensile strength and exceptionally high corrosion resistance—plus less than $\frac{1}{8}$ -inch lateral sweep per 8-foot length when laying flat without tension. Experiments with .005 Nilcor strip in the robot systems showed an 80% reduction in stretch and 90% reduction in friction over standard wire materials.

EXPERIENCED ENGINEERING HELP of this kind, for jobs requiring specialty steel and wire to meet unique applications, is available to you from National-Standard. For the many thousands of applications where only specialty steel or wire will solve the problem, let National-Standard engineers go to work for you. Write for additional information to National-Standard Company, Niles, Michigan.

OPERATOR STATION, shielded by protective wall, has television monitor screen where action inside radioactive room is reproduced as operator manipulates controls of master-slave system.

*Trade Mark

Manufacturer of Specialty Wire and Metal Products

NATIONAL  **STANDARD**

DIVISIONS: NATIONAL-STANDARD, Niles, Mich.; tire wire, stainless, music spring and plated wires • WORCESTER WIRE WORKS, Worcester, Mass.; high and low carbon specialty wires • WAGNER LITHO MACHINERY, Secaucus, N. J.; metal decorating equipment • ATHENIA STEEL, Clifton, N. J.; flat, high-carbon spring steels • REYNOLDS WIRE, Dixon, Ill.; industrial wire cloth • CROSS PERFORATED METALS, Carbondale, Pa.; decorative, commercial, and industrial perforated metals.

N.A.P.A. Groups Wind Up Year With Elections and Social Activities

Main Order of Business at Association Meetings Is Electing Officers for the 1959-'60 Season

Winding up a year of activity, purchasing groups across the country are setting their sights on the N.A.P.A. climax event—the June 14-17 national convention at New York City. Local associations in many cities are combining regular meeting programs with social events, but naming of officers for the 1959-60 association year remains a main order of business.

Some of the N.A.P.A. group election results this week include:

W. H. Norman President Of Florida Purchasers

Riviera Beach, Fla.—Purchasing Agents Association of Florida has elected Walter H. Norman of Orlando as president. Other officers are: J. D. Conley of Miami, first vice president; Frank C.



WALTER H. NORMAN

Fish of Jacksonville, second vice president; Robert P. Raitt of Miami, secretary; and W. L. Beckham of Jacksonville, treasurer.

D. W. Sanderson, Jr. of West Palm Beach was elected national director.

W. C. Kendrick Heading New England Chapter

Boston—New England Purchasing Agents Association has elected William C. Kendrick, H. P. Hood Co. P. A., as president.



WILLIAM C. KENDRICK

Kendrick succeeds Warren L. Price, who becomes national director.

Others officers are: Herbert M. Rixon, Jerguson Gage & Valve Co., vice president, and Louis A. Little, Simonds Saw & Steel Co., treasurer.

Charles Harville Elected Head of Oklahoma P.A.'s

Oklahoma City—City School District purchasing agent Charles Harville has been elected president of the P.A. of Oklahoma.

Harville succeeds Ira King, who becomes the new national director. Other officers selected: Robert J. Hood, Jr., Republic Supply Co., first vice president; William L. Carey, Tinker Field, second vice president; William R. Bowman, Oklahoma Publishing Co., secretary; and Kenneth R. Wiggins, Roberson Steel Co., treasurer.



ROBERT W. STEWART

R. W. Stewart Named To Lead Oregon P.A.'s

Portland, Ore.—Robert W. Stewart has been named president of the Purchasing Agents Association of Oregon. Stewart is P. A. for Alcoa's Vancouver, Wash. operations.

Other officers are: R. B. Tobey, Crown-Zellerbach Corp., first vice president; Wayne Rodman, Jantzen, Inc., second vice president; James Failing, Freightliner Corp., secretary; Frank Baker, Van Waters & Rogers, treasurer; and K. A. Schmitz, Bartells Co., national director.

AO CLEANING STATIONS HELP YOUR EYE PROTECTION INVESTMENT PAY OFF!



750 LENS CLEANING CABINET

Because it is wooden and will not corrode, this cabinet is particularly popular in the *chemical industry*. Small, compact, it provides for all necessary cleansing and anti-fog materials. 12" long, 9" high, 6" deep, it accommodates either our 750F Lens Cleaning Fluid or our 350AF SUPER-CLEAR-Combination cleaning and anti-fog fluid.

When ordering complete, unit consists of: 750B 6-oz. bottle and sprayer (750S); 750T Cleansing Tissue; 2 boxes of 120 sheets each. (2 openings in cabinet make it easy to detach single sheets. 2 openings at top for neat disposal); One 1-oz. jar of 111 anti-fog paste.

350AF Superior SUPER-CLEAR or regular 750F Cleaning Fluid. Specify which fluid desired. Order separately from unit.

Items above clean *glass* or *plastic* equally well.

851 MAGIC HEAVY-DUTY CLEANING STATION



Features disposable aerosol dispensing can. Can contains approximately 1400 applications. The steel dispenser in miser fashion releases sheets one by one. Can is locked in place to prevent pilferage. Complete with one pack of 851T heavy duty tissues and 1 can of 851F Cleaning and Anti-Fog Fluid.



851MB ATTACHMENT

For those who prefer the 350AF SUPER-CLEAR Anti-Fog Fluid with the 851 Cabinet. Metal attachment locks bottle in place, prevents pilferage.



850 DISPENSER

Dispenses paper twice the size of conventional clearing tissues. Tissues remove dust and smears from safety glasses and deposit an invisible coating of silicone that makes each wiping last longer, and the next cleaning easier. Size: 3 1/4" x 7 1/4" x 3 1/4". Adhesive strips on back of dispenser for quick, secure mounting.

American Optical
COMPANY
SAFETY PRODUCTS DIVISION

SOUTHBRIDGE, MASSACHUSETTS
Safety Service Centers
in Principal Cities

Importance of Industrial Plastics Topic at Cincinnati P.A. Session

Cincinnati—The ease with which industrial plastics can be worked makes them vitally important to today's purchasing agent, a plastics firm executive told Cincinnati purchasing agents at their May meeting.

Because of their versatility and ease of fabrication, plastics are ideal for all sorts of plant needs, from maintenance to production, William D. Benkelman, local branch manager, Cadillac Plastic & Chemical Co., pointed out.

Plastics are now easier for industry to obtain because warehouses have spread throughout the United States, Benkelman noted.

The consumption rate has doubled every four or five years since World War II with domestic production last year hitting 4.5 billion lb., second only to steel in industrial materials.

"In general," Benkelman said, "purchasing agents can find a combination of characteristics and properties—physical, chemical, electrical, and mechanical—in basic plastic material that are unavailable in any other industrial material.

"Each of the plastics has been specifically designed to answer a peculiar industry problem and it is important for the P.A. to know what each can do, so that when he is presented with a problem he might consider plastic as a possible answer," Benkelman emphasized.

Benkelman listed some plastics and their characteristics: nylon, most machinable; teflon, most expensive, slipperiest man-made substance known, incredible heat, chemical, electrical, and friction resistant; phenolic, cheapest of rigid plastics, used for insulators, printed circuits, gears, and jigs; acrylic, exceptionally formable; polyethylene, moisture proof for protective coverings, tank liners, and chemical pipe; and vinyl, most flexible.

Dayton Chapter Stages Annual Products Show

Dayton, Ohio—Purchasing Agents Association of Dayton staged its annual member products show last month at the Fairgrounds and Coliseum here. Companies throughout the Miami Valley participated in the annual products show.

To spark additional interest, the association and exhibitors donated various door prizes. The two-day show was opened to the public on the second day for 11 hours.

Association officials commended Thomas Warner, M. J. Gibbons Supply Co., chairman and Harriette Peters, Simonds-Worden-White Co., co-chairman, for directing what was termed the biggest and best show to date. Officials also reported that C. C. Oehler of the Purchasing Agents Association of Cincinnati attended.

Canton, Eastern Ohio P.A.'s Tour J&L Plant

Canton, Ohio—Problems in setting up a stainless steel operation were reviewed on a plant tour last month for Canton and Eastern Ohio P.A.'s. Hugh J. Mort, manager of production, stainless steel division, Jones & Laughlin Steel Corp., explained what went into equipping and hiring personnel for a new operation.

Mort conducted the tour of the sheet steel plant which has been a division of J & L for less than two years. He added that the plant was an asset to the Canton area.

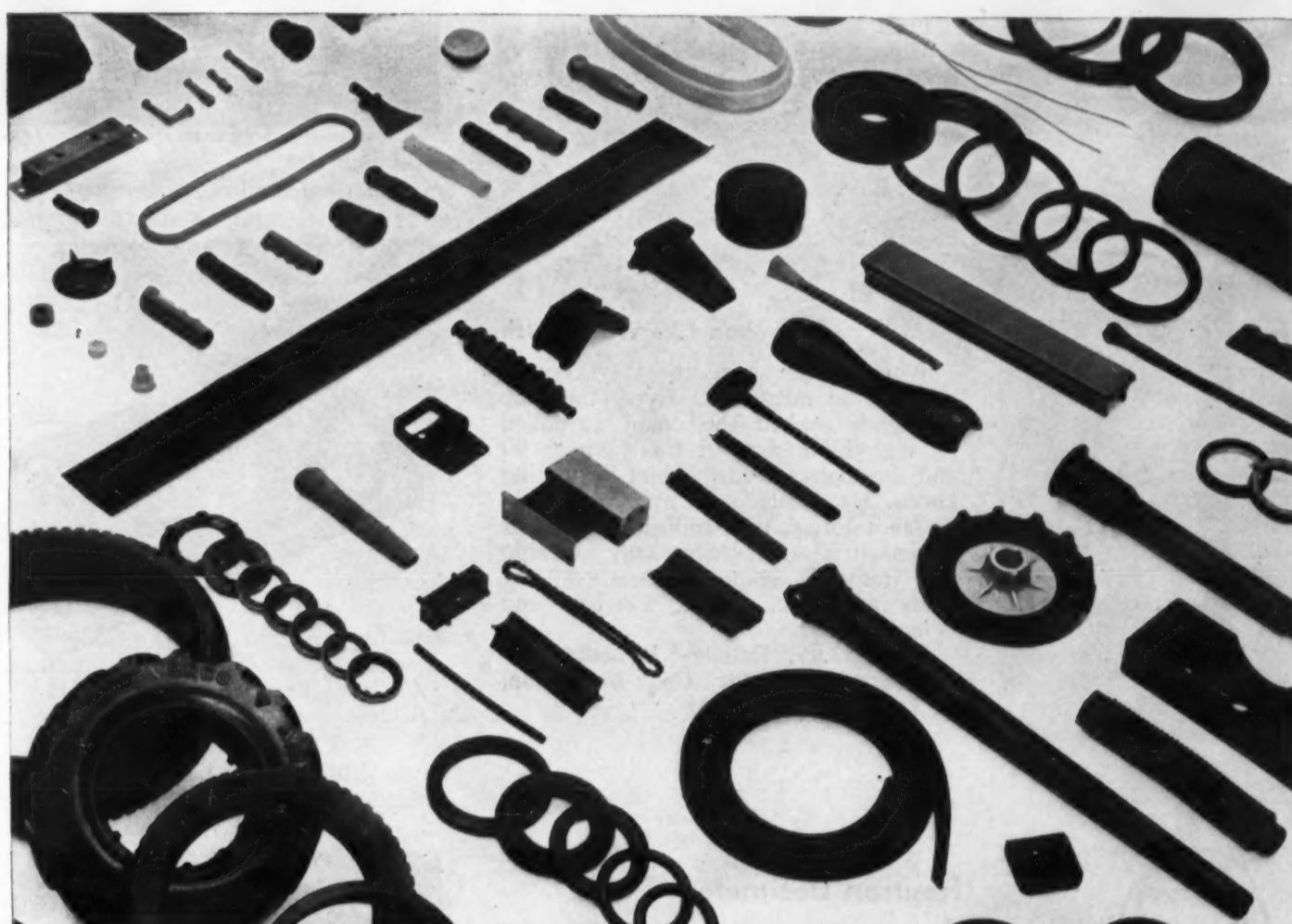
Panel Discussion Held At Grand Rapids Meet

Grand Rapids, Mich.—Ways to increase profits in a profit-squeeze atmosphere were reviewed at last month's Grand Rapids P.A. session. Henry Apol, local value analysis chairman, was panel moderator.

Four panelists, each an expert in his field, gave their views on cost-cutting. They were Lou Larson, P.A., Newaygo Eng. Co.; W. R. Shirey, purchasing analyst, Lear, Inc.; F. W. Oldenburg, senior vice president, marketing, American Box Board; and William Van Loo, American Seating Co., process engineer.



GRAND RAPIDS panelists, moderator, seated left, Lou Larson, W. R. Shirey; standing, F. W. Oldenburg, Henry Apol, and William Van Loo.



Tailor-made rubber and flexible vinyl parts produced through Ohio Rubber
"Customeering" for original equipment in every industry.

How OHIO RUBBER fashions more profitable PARTNERSHIPS

An Ohio Rubber "Customeering" engineer may start with your blueprint, but he begins saving you money after he checks your performance requirements—what you need, where and how you'll be using your component part.

Your savings start with his recipe for the material which goes into your part. Only the essential properties required for the better performance of your product will be included—you will not be buying properties you don't need.

The ORCO engineer's recommendations for feasible design modifications will further help produce a better part, frequently at big savings to you.

Combined with Ohio Rubber's integrated mold and die service, complete facilities for molding, extruding, and bonding to metal, here's a profitable partnership you may want to consider for your custom-made parts of rubber, synthetic rubber, silicone rubber, polyurethane, or flexible vinyl—one that offers all the advantages of single source control and responsibility.

Suggestion: The more complete story behind Ohio Rubber's long-standing and profitable partnerships with leading original equipment manufacturers is more fully told in ORCO Bulletin 715. Write for your free copy today!

9MP1



THE OHIO RUBBER COMPANY
WILLOUGHBY, OHIO

A DIVISION OF THE EAGLE-PICHER COMPANY



Here's your weekly guide to . . .

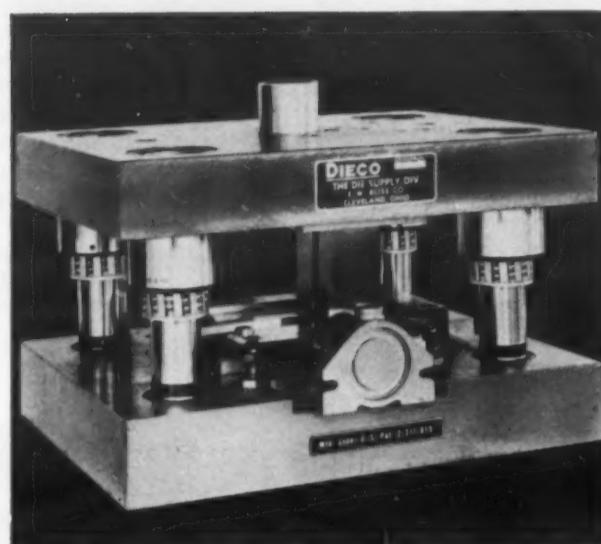


Goggle Cleaning Station

Dispenses Wiping Tissue

All metal cabinet has a capacity of 200 sheets and provides a fresh tissue each time one is removed by a worker. Lens cleaning fluid is dispensed in exact amounts from an unbreakable, leakproof polyethylene squeeze bottle. Fluid removes dirt and grime without streaking and coats lens surface with micro-thin film that protects against fogging hours after application. Cabinet measure 6 by 5½ by 6 in.

Price: \$6.50. Delivery: immediate.
Mine Safety Appliances Co., 230 N. Braddock Ave., Pittsburgh 8, Pa. (P.W., 5/25/59)



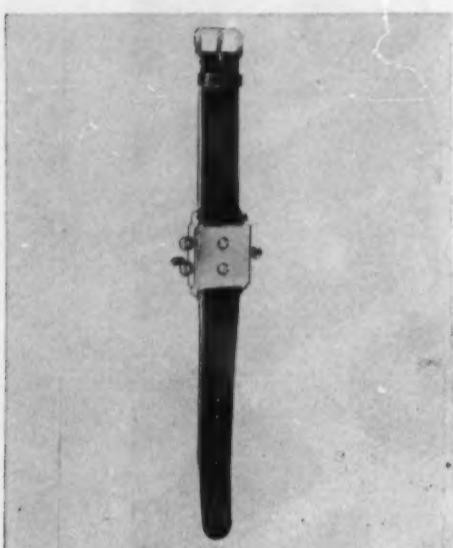
Die Set

Ball-Bearing Alignment

Pre-loaded ball bearing cage assembly assures positive die alignment. The die set is easy to assemble and disassemble and it can be "stripped" from the guide posts. Available in a variety of standard sizes or on special order.

Price: \$228. (15½ by 12½ in.). Delivery: 1 wk.

E. W. Bliss Co., Die Supply Div., 1400 Brookpark Rd., Cleveland, Ohio. (P.W., 5/25/59)

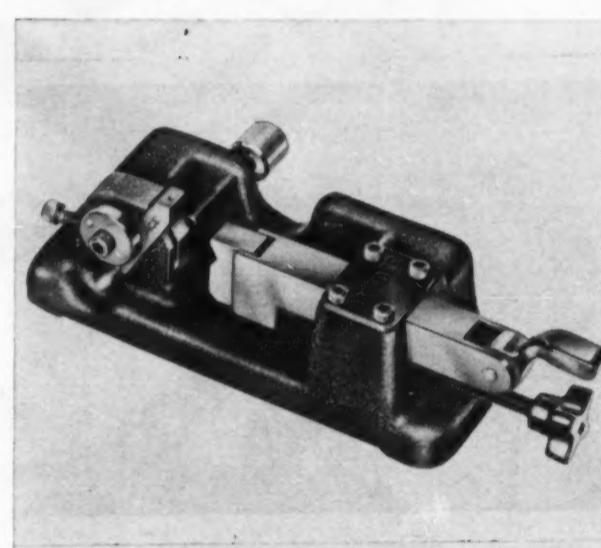


Counter

Worn Like Wrist Watch

Worn on the wrist, the tally counter can not be misplaced. Every time the button is pushed the count is tallied on the visible dial. It totals up to 99 and the dials are easily reset by turning knobs. Uses include: counting operations in laboratories, time-and-motion studies by industrial engineering, tally of cargo and traffic in shipping room, tallying loads in production, etc. Leather band is included.

Price: \$3.95. Delivery: immediate.
Edmund Scientific Co., Barrington, N. J. (P.W., 5/25/59)



Drill Fixture

For Safety-Wire Hole

Holding fixture for ¼ in. to 1½ in. hexagons, nuts, bolts, etc. Exact location of safety-wire hole to be drilled in the fastener is completely adjustable. Finger-tip pressure on the cam-lock instantly clamps and releases part.

Price: \$130. Delivery: immediate.

Ace Drill Bushing Co., Inc., 5407 Fountain Ave., Los Angeles, Calif. (P.W., 5/25/59)



Neutron Dosimeter

Detects Harmful Radiation

Transistorized Fast Neutron Dosimeter, operates on flashlight batteries, promotes safety among nuclear workers by providing an indication of radioactivity. The instrument gives a reading showing the effect of fast neutrons on human tissue. The E-1B, weighing less than 7 lb., uses 10 flashlight batteries and is separated into a probe and an electronic unit for ease of handling and maintenance if it should be required.

Price: \$1,195. Delivery: immediate.
Nuclear Corp., 400 Park Ave., N. Y., N. Y. (P.W., 5/25/59)



Flaw Detector

Uses Ultrasonics

Sonoray Model 5 test instrument uses ultrasonic waves to find flaws and to measure thicknesses. Ultrasonic pulses are sent into the material under test and displayed, along with the returning echo, on a cathode ray tube. It can be set-up to reject materials outside limits.

Price: \$2,750. Delivery: immediate.

Branson Ultrasonic Corp., 40 Brown House Rd., Stamford, Conn. (P.W., 5/25/59)

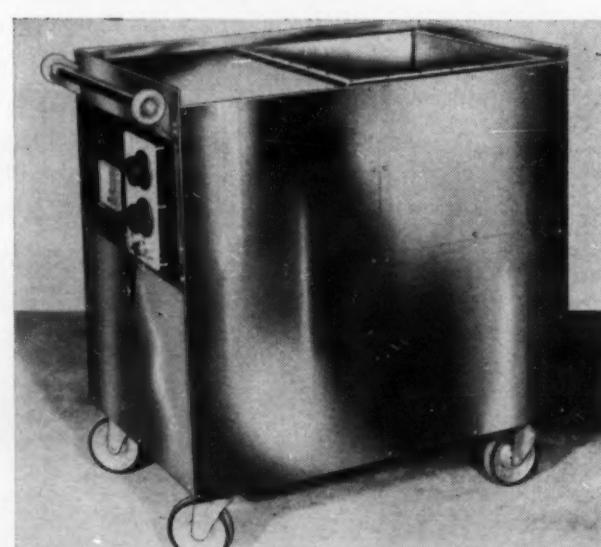


Brake for Press

Works in Both Directions

Self-energizing, multiple spring brake is designed for rugged service on heavy-duty presses. It offers braking power in both rotating directions. Brake torque is effected by a dual spring arrangement, while the release is air-actuated through a large size cylinder. Wear adjustment and field relining are infrequently needed, but easy to manage when necessary. The brake has welded steel construction with a trunnion bar design.

Price: \$498 to \$1,044 depending on capacity. Delivery: 4 to 6 wk.
Fawick Airflex Div., Fawick Corp., 9919 Clinton Rd., Cleveland, Ohio. (P.W., 5/25/59)



Ultrasonic Cleaner

Completely Portable

Portable ultrasonic cleaning system is mounted on rubber-tired wheels. It can be pushed from one location to another and plugged into a 110 or 220 v. outlet. Cleaning times for most items is less than one minute. Cleaning tanks up to 75 gal. are available.

Price: Approx. \$5,500. Delivery: 2 to 3 mo.

Acoustica Associates, Inc., 26 Windsor Ave., Mineola, N. Y. (P.W., 5/25/59)

New Products

This Week's

Product Perspective

MAY 25-31

Here's a sampling of the current crop of new materials:

• **Additive VIRCOL-82 is used to make a flame-retardant urethane foam.** It may be incorporated into polyester- and polyether-based foams of both flexible and rigid types. Underwriters Laboratory approval for foam formulations containing the additive is expected by early next year. (Virginia-Carolina Chemical Corp.)

• **New series of columbium-base alloys is characterized by high-temperature strength.** Two types are currently available: Fansteel 80, columbium-zirconium alloy, 4,350F. melting point, and Fansteel 82, columbium-tantalum-zirconium alloy, 4,550F. melting point. Both can be fabricated at room temperature, either in the as-worked or annealed state. Both are weldable. Fansteel 82 has high resistance to oxidation compared to the pure refractory metals. Its ultimate tensile strength is about 30,000 psi. at 2,000F. Fansteel 80's properties compare with Fansteel 82 but its strength-to-weight ratio is higher. (Fansteel Metallurgical Corp.)

• **Flexible heating tape conducts electricity without wires, can be cut to any desired length, and maintains a uniform temperature at any spot on the surface.** Tape is made of woven glass fibers impregnated with conductive silicone rubber. Initial availability is in widths from $\frac{1}{2}$ in. to 6 in. and thicknesses from 0.005 in. to 0.012 in. Continuous operating temperature can be as high as 400F. Biggest potential is in integrally-heated plastics. (Sunelec Inc.)

• **Silicone grease inhibits rust and lubricates mated, threaded, or non-threaded ferrous components and fabricated rubber parts.** SS-4007 maintains its consistency from -75F. to 300F. Primary applications: high and low temperature thread lubricant, corrosion preventative compound, and as a rubber lubricant for low- and medium-swelling components such as O-rings. The material can be used where other products would either solidify or be subject to oxidation, evaporation or excessive bleed losses. (General Electric Co., Silicones Department)

• **Crystal clear polyester casting resin which cures at room temperature is available.** Resin may be used for casting of small parts or prototypes, and for embedment or product displays, documents, scientific specimens, and souvenirs. It hardens in 45 min. at room temperature, in 25 min. at 150F. No pressure is required. Castings and embedments are shatter resistant, do not soften with heat, and may be exposed intermittently to 350F. (Cadillac Plastic & Chemical Co.)

• **Aluminum alloy, Adaptaalloy, has properties that include high elongation and impact strength and the ability to sustain bending and deformation.** No special treatment is needed during casting. Any mold medium, except die-casting can be used. Alloy can be cast into parts that require bending or deformation during fabrication or use. (American Smelting & Refining Co., Federated Metals Division)

• **Extrusions and fabricated parts made from DuPont's Delrin are available in strip, rod, tubing, or special shapes.** Strip comes in widths up to 7 in. and thicknesses from 0.020 to 0.093 in. Rod diameters range from $\frac{1}{2}$ in. to 2 in. Tubing and special shapes are made to order. (National Vulcanized Fibre Co.)

• **Zirconium-copper alloy combines excellent electrical conductivity with high-temperature strength properties.** AMZIRC alloy has these potential applications: fine wire, resistance welding tips and wheels, rectifier bases, rotor wedges, studs for X-ray tubes, and electronic tube side rods. Typical bar, cold-worked 60% and aged for one hour at 400C. exhibits these properties: tensile strength, 63,000 psi.; electrical conductivity, 90 to 95%. At 400C., the short-time tensile strength is 46,500 psi. (American Metal Climax, Inc.)

• **A change in the techniques for selecting natural diamond grit provides resin-bonded grinding wheels with up to 40% greater efficiency than conventional natural diamond wheels.**

Friable diamond particles are now selected in preference to the smooth natural material. Tests have shown that the smooth particles are often torn from the relatively soft resin before their full benefit was realized. Resin bond holds more of the rough friable particles until they are fully expended in grinding. For the harder bonds (metallic and vitreous) the stronger, blocky shapes of diamond are still superior. (Diamond Research Laboratory, Johannesburg, South Africa)

Another PURCHASING WEEK service: Price and delivery data with each product description.



Cylinder Truck

For Warehouse Moving

Truck is designed to transport liquid gas cylinders in warehouses and from delivery trucks. Frame design also permits using the truck for handling other cylindrical objects. Tires are puncture proof and never need inflating. Weighs approximately 36 lb., is 56 in. long. Price: \$31.90. Delivery: 1 wk.

Nutting Truck & Caster Co., 1201 W. Division St., Faribault, Minn. (P.W., 5/25/59)



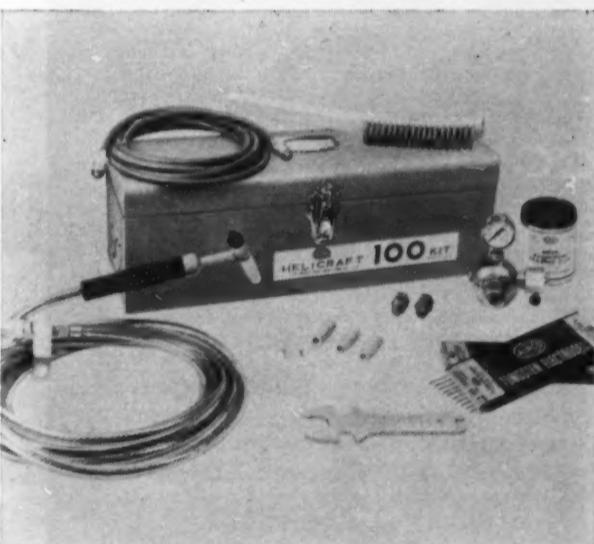
Fluorescent Lamp

More Light Per Watt

"Premium 3" 40-w. fluorescent lamp is rated at 3,100 lumens and said to provide the lowest over-all light cost of any similar lamp. Rated life is 7,500 hr. on rapid start and 5,000 on preheat circuits. The increased light output is made possible by a completely new design.

Price: \$1.45. Delivery: immediate (limited quan.)

General Electric Co., Nela Park, Cleveland, Ohio. (P.W., 5/25/59)



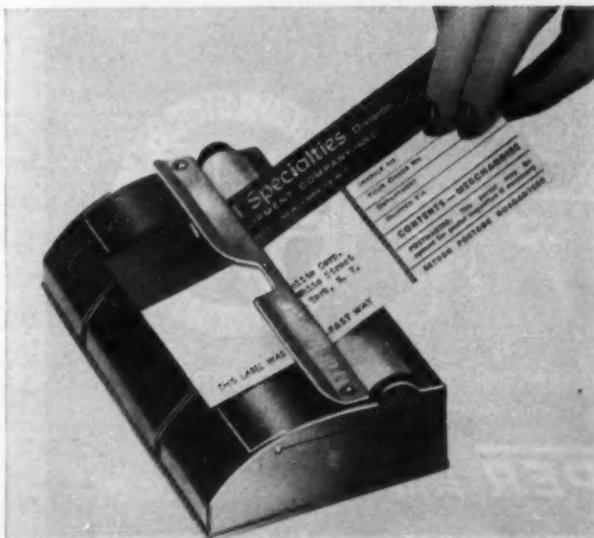
Welding Kit

For Small Shops

"Helicraft 100" tungsten, inert-gas welding outfit designed for use by small metal fabricators and repair departments. It is packaged in a steel carrying case which contains all necessary equipment for heliwelding in the 100 amp. range and below.

Price: Under \$100. Delivery: immediate (after June 15).

Air Reduction Sales Co., Inc., 150 E. 42nd St., N. Y., N. Y. (P.W., 5/25/59)



Label Moistener

Speeds Mailing Operations

Designed to speed shipping and mailing operations, machine can moisten gummed labels up to $5\frac{1}{4}$ in. Large capacity reservoir permits large mailings without refilling. A chromium guide is adjustable to take any thickness of paper. Will not remove glue from the label.

Price: \$5. Delivery: immediate.

Glue-Fast Equipment Co., Inc., 13 White St., N. Y., N. Y. (P.W., 5/25/59)

Your Weekly Guide to New Products — (Continued from page 29)

Purchasing Week Definition

The Two Kinds of Computers (Part I, Analog)

An analog computer works with actual quantities that can be measured. These quantities can be represented in an analog computer by a rotation of a shaft, a voltage, light intensity, etc. For instance, water volume is usually measured in gallons. The number of gallons involved could be represented by certain voltages. Computing operations are performed by making use of these voltages.

A simple analog computer might work like this: Suppose it is desired to add two quantities of water, X gal. and Y gal.

The operator has two input dials and a volt meter in front of him. He

turns one dial to X voltage, or a voltage representing X. He does the same with the other dial in terms of Y. A flip of a switch puts the two voltages in series. The volt meter displays the result which is an addition of the two voltages because of the series circuit.

Other systems can be made to subtract, multiply, divide, differentiate, and integrate. On a real analog computer, of course, there would be many input devices and systems for performing the computing operations. Most adding machines and bookkeeping machines are analog computers.

Next week: digital computers. (P.W., 5/25/59)

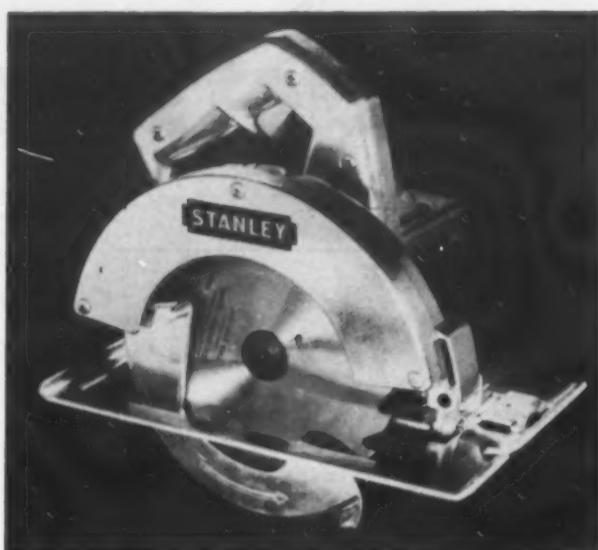
Circular Saw

High Torque

Heavy-duty portable circular saw is said to give more torque through higher gearing. It has 40% more cutting force at working speeds and is designed to carry through long ripping cuts on wood. Controls set depth of bevel from operators cutting position. 6½ in. and 7 in. models available.

Price: \$49.95 to \$79.95.
Delivery: immediate.

Stanley Works, New Britain, Conn. (P.W., 5/25/59)



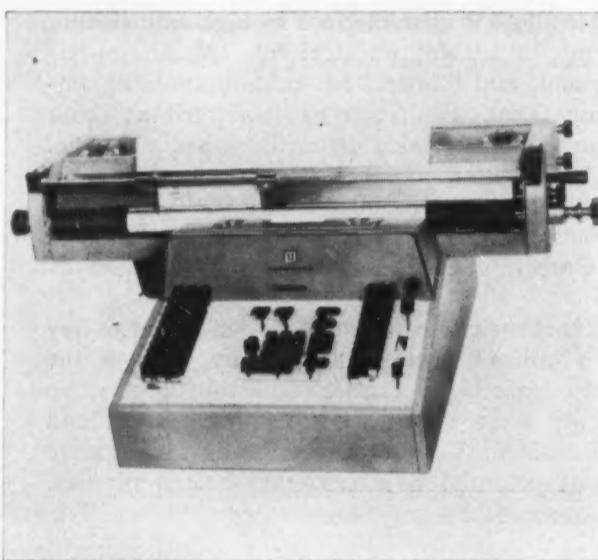
Accounting Machine

Flexible Design

Account-Master large accounting machine's flexibility makes it possible to design and program it for use in many fields. It features subtraction in all registers, up to 46 descriptive characters, keyboard and auxiliary program control.

Price: \$2,350 to \$5,000.
Delivery: 4 to 6 wk.

Underwood Corp., 1 Park Ave., N. Y., N. Y. (P.W., 5/25/59)

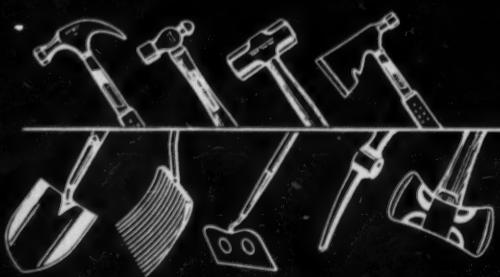


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Famous ROCKET® hammers are not the "cheapest" — but they cost much less in the long run. What's more, they are the safest.

Shock-absorbing ROCKET handle is a chrome-plated tube of boron-alloy steel — strongest ever made. Carefully forged, tempered and hardened head is permanently locked to handle — can't loosen or fly off. Tough neoprene-fiber cushion grip soaks up shock, won't slip wet or dry or in gloved hand.

ROCKET nail hammers, rippers and ball peins are made in a variety of weights for all kinds of service. Each has patented ROCKET design that makes it outlast ordinary hammers many times. Over 1,000,000 in. used! Contact your True Temper Industrial distributor.



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Tape Dispenser

Measures Length

Better Pack 555 measures, moistens, cuts, and delivers paper tape for sealing packages, cartons, etc. Length-selector key automatically delivers the desired length of tape from 6 to 36 in. or 15 to 45 in. The unit can be plugged into any 110 v. outlet.

Price: \$215. Delivery: immediate.

Better Packages, Inc., Shelton, Conn. (P.W., 5/25/59)



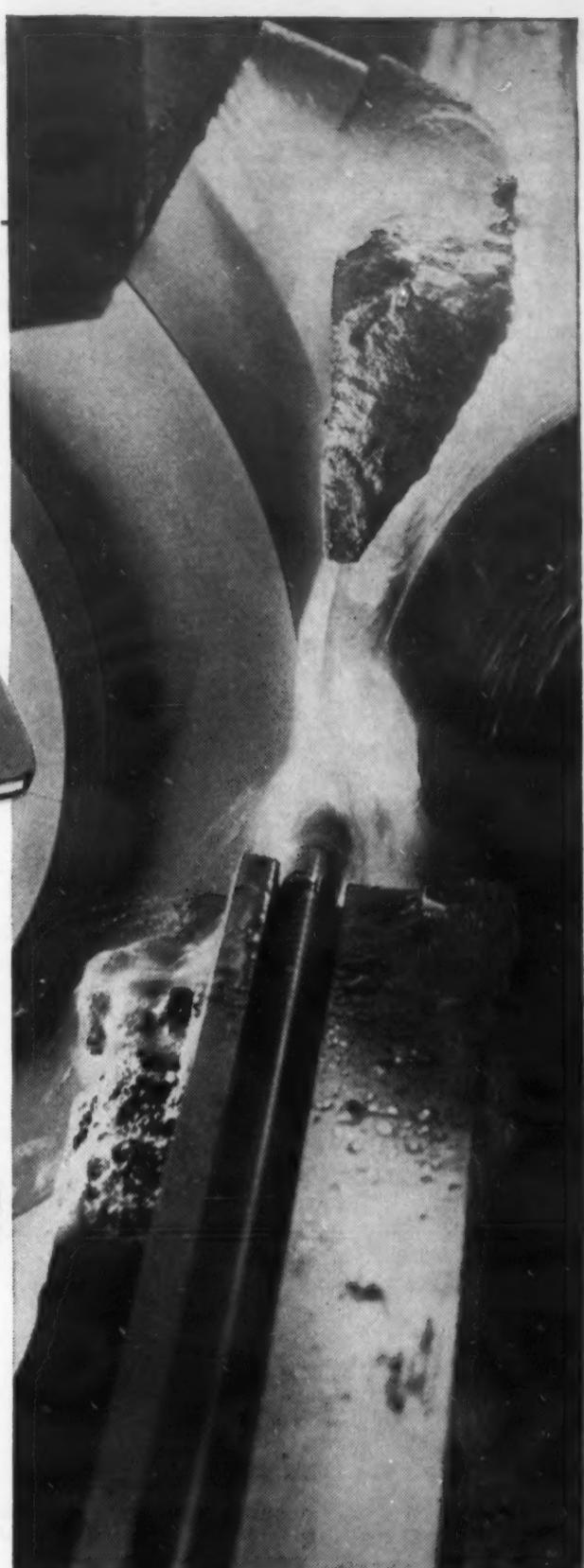
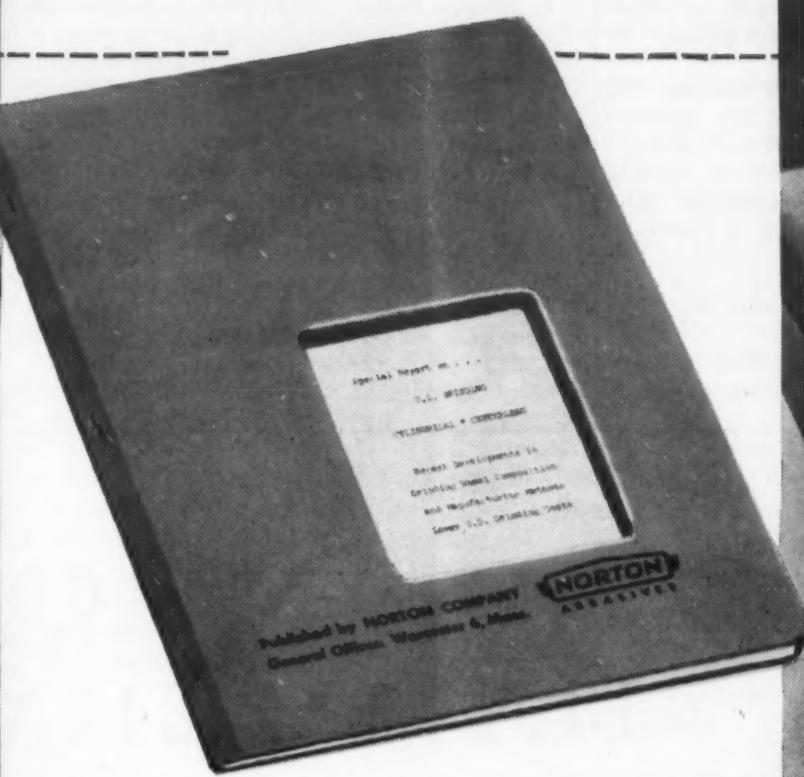
Pipe Covering

Eliminates Condensation

Anti-Drip pipe covers keep cold water pipes from dripping during humid seasons (like top pipe in photo). The cover never becomes moldy because the pipe surface is not exposed to the air. Covers are placed around pipe and zipped closed. Available for ¾ and 1 in. pipe.

Price: \$3.50 (12 ft.). Delivery: 1 wk.

Zippertubing Co., 752 S. San Pedro St., Los Angeles, Calif. (P.W., 5/25/59)



Get this New,
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filled with

Inside Facts on Outside Grinding

A Report on O.D. Grinding, by Norton specialists, describes "tricks of the trade" that get the most out of cylindrical and centerless grinders... provides on-the-job performance of different grinding wheels . . . and analyzes the following highly efficient abrasives and bonds.

Abrasives. 44 ALUNDUM* (aluminum oxide) abrasive, an ideal cost-cutter for many O.D. jobs. 32 ALUNDUM abrasive, first choice for grinding various materials, including harder steels. The other time-tested Norton ALUNDUM abrasives are also included. And 37 and 39 CRYSTOLON* (silicon carbide) abrasives are best

suited for grinding cast iron, non-ferrous metals, carbides and other materials.

Bonds. G bond, biggest advancement in vitrified bonds, gives best results in most O.D. jobs, particularly crush-truing. Vitrified BE bond is another widely used favorite. Where CRYSTOLON abrasive is required, K bond is outstanding. B11 resinoid bond excels in uniformity with both ALUNDUM and CRYSTOLON wheels. For centerless feed wheels, R51 rubber bond assures complete regulating control without slippage.

Your Norton Man will be glad to work with you in solving O.D. prob-

lems, to assure you the lowest cost-per-piece produced. How this expert can bring you the value-adding, profit-boosting "Touch of Gold" is stated in the Report, available from your local Norton Representative — and as near as your phone. NORTON COMPANY, General Offices, Worcester 6, Mass. Plants and distributors around the world.

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P.A. Must Sell His Tools to Management

Kansas City—To reap the greatest benefits from standardization and value analysis, purchasing must first sell a program to company management and other departments, a materials management expert declared at a standardization conference here May 7.

But this requires strong individual effort, plus a plan of action, and some specific examples, according to Kenneth A. Cruise, Bendix Aviation's Kansas City division materials manager.

Cruise, who also is N.A.P.A. District 3 standardization-value analysis chairman, presided over

000 miles of wear from auto tires and plastic gears are an outstanding example of where plastics are not weak."

Cruise also cited another "old wives' tale that 'if the material is solid, it is better.'" But "I have seen examples of a solid machine nut costing 8¢ adequately replaced by a Palnut at 1/10 the cost," he added. "Another example is: 'They can't roll an Acme thread—but they can and do every day."

Cruise listed the five types of standards most commonly used

in the purchasing department as:

1. Specifications: Definitions of materials or products such as SAE 1010 steel or 24ST aluminum.
2. Grading rules: Specifications for two or more levels of quality such as #3 lumber and grade A milk.
3. Dimensional: To provide for interchangeability of parts and supplies.
4. Test methods: Such as vibration, salt spray, and temperature tests; and
5. Inspection rules and methods of sampling which provide normal basis for acceptance or rejection of purchased material.

A.S.A. Publishes Book About Standardization

New York—How purchasing departments helped some of the country's leading firms effect considerable savings through standardization is told in the just published conference proceedings of the American Standards Assn.

Eleven purchasing experts participated in the A.S.A.'s ninth annual conference, held in New York last Nov. 18-20. Their remarks are included among the addresses of 50 key industrial figures who explained why more standards are needed to cut costs in purchasing, design, and engineering.

The conference publication—

"Standardization—What's In It for Me?"—totals 128 pages with illustrations and is available from the A.S.A., 70 East 45th St., N.Y. 17, N.Y., at \$4.50 a copy.

To Show How Standards Counter Profit Squeeze

Detroit—The American Standards Association will concentrate on showing how standards can counteract the profit squeeze at its 10th national conference here next fall. Sessions will be held at the Sheraton-Cadillac Hotel, Oct. 20, 21, and 22.



KENNETH A. CRUISE

a panel discussion at the American Standards Association's Company Member Conference.

The standardization process actually involves three steps, Cruise said, with standardization (in its popular definition and understanding) in the middle. The first step is "simplification and the third is value analysis," Cruise said.

Involves Reducing Items

The simplification stage, he said, involves such things as reducing the number of items carried in stock of various commodities.

"It should be no trick at all to convince your management that three sizes of casters are unnecessary for materials handling trucks you may have in your plant," he said, citing an example of the simplification process as applied to industry.

The same thing applies to nuts, bolts, washers, hardware of all kinds, electrical components, raw materials, and the complete range of non-productive materials, including oils, greases, belts, grinding wheels, and the like, Cruise noted.

The most difficult to put over is the third step—value analysis, Cruise commented:

"You clash with the designer because you are suggesting changes in his pet 'special,' and he has many good reasons in his own mind why the special is absolutely essential."

Cruise paid particular attention to the problem of popular "misconceptions" in connection with materials and switching from one to another.

"Many people say 'plastics are brittle,'" Cruise said. "Some plastics are, but many perform functions formerly handled by metals."

"Another common statement is that plastics are weak. So is rubber, but you can get over 30,-

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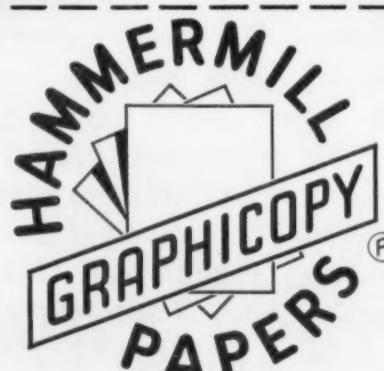
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This Week's

Foreign Perspective

London—No one doubts that commodity prices are going to be higher across the board by year end. The question is how far the hike will go.

That's why purchasing agents here are watching carefully for signs that British industrial recovery really has come to stay.

Latest good news was the big hike in U.K. shipments overseas for April. That included a record total for deliveries to the U.S.

In addition, brighter news about steel prospects here lifted some of the gloom hanging over sections of heavy industry.

Steel output improvement, which got underway in March, continued into April when output averaged 387,000 tons a week. That compared with 362,700 in March.

The steel industry now anticipates general improvement in demand throughout the remainder of the year. **It's too soon yet, however, to start celebrating.** U.K. steel industry still has 20% of unused capacity.

There's another soft spot that's going to cause trouble for a long time to come. Against the somber background of political and economic crisis in the European coal industry, U.K. coal stocks still are mounting. They've now reached the record total of 17.6 million tons.

• • •
Warsaw—East-West trade is scheduled to get another assist from the popular annual Poznan trade fair which opens next month.

This year, the 28th International Poznan Fair will be opened on June 7 and will last until June 21.

According to the latest information, some 47 foreign flags will adorn the pavilions of the fair this year, a record number. **Eight socialist, 30 capitalist countries, and nine capitalist countries represented by agency firms will take part in this year's fair.**

As far as exhibition space is concerned, over 37,000 square meters have been allotted to home exhibitors, some 14,000 square meters to exhibitors from capitalist countries and 54,000 square meters to exhibitors from socialist countries.

Most of the space will be taken up by heavy industry, which will exhibit its products on a surface of over 20,000 square meters. Second place in amount of allotted space will go to the agricultural and food industry.

Among the capitalist countries, West Germany will be the main exhibitor—followed by the United States, which will exhibit its products in an open-air area. Considerable space for exhibiting goods also has been allotted to Great Britain and Italy.

• • •
Montreal—It looks as if more U.S. coal is going to be shut out of eastern Canadian markets.

That's the meaning behind the new in-

MAY 25-31

creases in Canadian Government freight subsidies on Nova Scotia and New Brunswick coal.

The upped Nova Scotia subsidies are aimed at holding markets in Quebec and extending them to Ontario. The New Brunswick aid is more limited—only aiming to assure that province of its regular share of the Quebec market.

A new Cabinet order raises to \$4.50 a ton from \$3 the maximum subsidy on waterborne Nova Scotia coal moving to St. Lawrence ports.

Purpose is to meet competition in Quebec from United States coal which now is coming in through the St. Lawrence Seaway.

The Government decision to move more Nova Scotia coal into the Ontario market was behind another subsidy increase. This one raises from \$2.25 to \$4.50 a ton the subsidy on coal transshipped through Quebec.

• • •

Bonn—Germany's major automaker, bolstered by current record sales volume, is looking ahead to new and bigger output increases.

Volkswagen's general director Heinz Nordhoff predicts annual production increases of 100,000 vehicles for several years.

But during that period there will be no major design change in the automobile's beetle-like appearance. Instead he promises a number of detail improvements in the car to be shown at the Frankfurt auto show in the fall.

Nordhoff expects production to hit 700,000 units for 1959 and said that future expansion would be financed from V.W.'s substantial reserves. The company's nominal capitalization of \$14.7 million is slated to be raised to \$72 million in order to benefit under new West German taxation laws.

Volkswagen is also upset over Common Market developments. The company is particularly critical of the French government for not yet having released its quotas for imports of German vehicles for the first half of 1959.

It's pointed out that Germany, with no quotas on automobile imports and a duty of 20%, is faced with a duty of 65% in France and 62% in Italy as well as very small import quotas.

ticals, construction material, food stuffs, ceramics, and textiles.

Japanese sponsors of the fair made the unscheduled call at San Francisco especially to confer with world trade and shipping leaders who will invite them to plan a similar "ship fair" to tour American ports in 1960-61.

Modern Continuous Steel Mill Constructed in Baja California

Mexicali, Mexico—Baja California has its second heavy industry—a \$1.2 million continuous steel mill. Acero del Norte's plant joins Cementos California cement factory to give Baja California a shove toward industrialization.

The company was capitalized by U.S. and Mexican investors.

Initial production of Mexico's most modern mill will be reinforcing steel with an eye to the future for a complete merchant-bar line. Annual output is placed at 25,000 tons with future output slated at 50,000 tons.

Australia Revising Method

Of Estimating Its Wool Clip

Melbourne—A revised method of making Australian wool clip estimates is under examination.

After latest revisions in the wool clip estimates for 1958-'59 were announced early this month, Australian wool producers pointed out that something should be done to avoid large discrepancies between the estimate and final actual figures. They emphasized that off-target estimates have an extremely important influence on prices and market trends.

According to the newest official estimates, it now appears the total clip will be 4.6 million bales, second only to the record clip of 4.8 million bales in 1956-57, and about 5.7% greater than last season. The increase over 1957-58 is chiefly confined to shorn wool production.

The present estimate for the 1958-59 clip compares with the July forecast of 4.2 million bales and the December estimate of 4.3 million.

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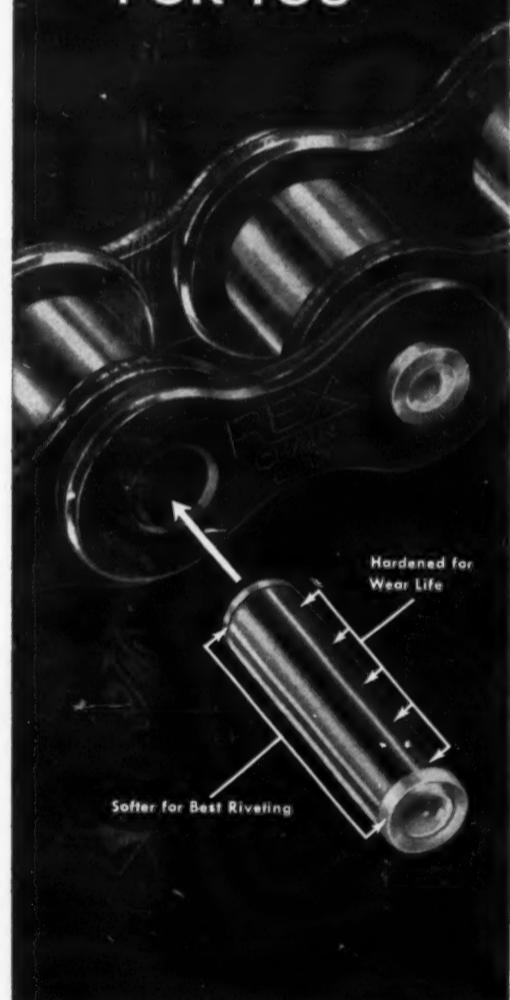
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Books

Whither Raw Materials

Raw Materials—A Study of American Policy. By Percy W. Bidwell. Published by Harper & Bros., 49 East 33 St., New York, N. Y. 403 pages. Price: \$5.95.

In sponsoring a detailed study on U. S. industrial raw materials, the Council on Foreign Relations considered the fact that our country is becoming more and more dependent on foreign sources of supply for its basic raw materials. And you, as a representative of the purchasing group that buys these materials, are vitally interested in the future of supplies that keep your firm in business.

This book covers in great de-

tail the U. S. position as regards the supply of lead, zinc, oil, rubber, wool, and copper. And it examines the more important measures under these policies which effect our supply of these important raw materials of production.

Our position in war and peace, declining world supplies of certain items, and rising costs of a host of vital raw materials are only a few of the most important areas of this study which will be of great interest to every purchasing agent.

The author also makes some significant points regarding certain undeveloped raw material supplying nations as they apply to economic penetration by the Soviet Union.

Aids to Purchasing

How to test purchased products is the subject of a booklet published by the California Association of Public School Business Officials. The booklet is called *Handbook of Tests for Purchasing*. While it is directed primarily at purchasing for educational facilities, it has considerable merit for purchasing agents in industry.

Besides outlining the techniques used to test certain products generally bought by school officials, the handbook discusses the need for adequate testing and makes suggestions for organizing a formal testing program. In terms of the need for testing, these two points are made: (1) specifications mean little unless the purchase is tested to see if it meets the specs, (2) purchasers sometimes buy quality above or below their needs. Testing lets the buyer adjust quality more closely to his needs.

One section of the handbook is devoted to describing the equipment needed for testing. This plus descriptions of actual testing techniques is particularly useful to industrial purchasing agents.

The handbook is priced at \$2.00 and can be obtained from Librarian, California Association of Public School Business Officials, 111 N. Greville Ave., Inglewood, Calif.

New 1959 edition of Electronic Specifying & Purchasing lists nearly 10,000 firms engaged in the manufacture, sale, and distribution of electronic components and equipment. Its contents include:

- **Manufacturers alphabetical section**—Typical listings include firm name, method of distribution, address, phone number, and key personnel.

- **Purchasing index**—Electronic component and equipment makers under the product they make. Contains about 600 separate major product categories and over 1,700 sub-product breakdowns.

- **Representatives**—Independent manufacturers' sales agents specializing in electronic components and equipment. It includes firm name, address, phone number, territory covered, lines represented, branches. Listings are geographic, show whether firm serves industry, distributors, or government.

- **Distributors**—Electronic distributors are listed geographically. Each listing tells what kind of equipment is handled.

Copies can be obtained from **Electronic Periodicals, Inc., 2775 S. Moreland Blvd., Cleveland 20, Ohio.** Price is \$15.

derstand his shop men and engineers when they talk of conveyors and possible purchase of different types. He will be able to talk more intelligently with conveyor salesmen, and to grasp alternatives offered in bids. This booklet can be a vital link in knowledge and communications between technical people and non-specialist buyers.

The booklet has done exactly what the foreword expressed as an aim; "define each term so that each would be understood by everyone concerned with . . . conveyors." Also, "an attempt has been made throughout to define each type of conveyor by what it 'is' rather than by what it 'does.'"

This 78-page booklet describes 129 types of conveyors. Over 100 illustrations throughout the booklet assure clarity.

So, if your plant buys, or is thinking of buying, conveyors of any type or kind, it may pay you to send \$1.50 along to: **Conveyor Equipment Mfrs. Association, One Thomas Circle, Washington 5, D. C.** Ask for book No. 102 (April 1958).

Manufacturers of gray iron castings are listed in 75-page Directory and Buyers Guide. Includes 3 major sections, 1. alphabetical list of members of the Society, 2. geographical listing of members, and 3. the Buyers Guide section. Listed in the directory section, in addition to the firm name and address, are names of important personnel, types of

castings produced, size of castings, average monthly production, whether produced for sale or own use (as in a captive operation), foundry classification, type of iron produced and special facilities other than strictly foundry operations. Copies of the Directory and Buyers Guide are available from **Gray Iron Founders' Society, Inc., National City-E. 6th Bldg., Cleveland 14, Ohio.**

Standards for rubber-insulated wire and cable for the transmission and distribution of electrical energy are contained in book No. WC 3-1959. Both the Insulated Power Cable Engineers Association and N.E.M.A. have approved this publication which gives detailed information on conductors; insulation; shielding and coverings; cabling, fillers, binders and circuit identification; testing and test methods; pole and bracket cable; nonmetallic neoprene-jacketed mine power cables; pre-assembled aerial cable using copper conductors; and neutral-supported secondary and service drop cables. Book costs \$4.00 per copy. It is available from **National Electrical Manufacturers Association, 155 E. 44th St., New York 17, N. Y.**

From the Manufacturers

Plastic containers and accessories are described in a new 34-page catalog. Specifications are given for over 200 container shapes and sizes and over 100 different

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molded accessories. Both low- and high-density polyethylene containers are described. Specific colors are available. **Plax Corporation, P.O. Box 1019, Hartford, Conn.**

Magic voice radio paging is discussed in a 4-page bulletin. System allows in-plant paging of key personnel through a tiny personnel radio receiver. **Transvox Corp., East Shore Rd., Port Washington, N. Y.**

Plexiglas cast acrylic sheets and Cadco extruded acrylic sheets are described in 16-page catalog. It lists prices, quantity discounts, available grades, colors, patterns, and thickness tolerances of the sheets. Catalog is available from **Cadillac Plastic & Chemical Co., 15111 Second Blvd., Detroit 3, Mich.**

Lightweight trailer axles with "S" cam brake are described in 4-page folder. It gives detailed illustrations of demountable spiders, arc-welded shoes, anchor sections, camshaft seals, and outboard bearings. Folder is available from **Automotive Div., Clark Equipment Co., Buchanan, Mich.**

Compact screw conveyor drive is described in 16-page Bulletin, No. A667C. Bulletin includes photographs, engineering drawings with dimensions, prices, and tables to facilitate selection of units and V-belt drives for various loads and speeds. Copies are available from **Dodge Mfg. Corp., Mishawaka, Ind.**

Luminous wall combustion system for gas-fired, infrared heat treating furnaces is described in 48-page bulletin, entitled, "Instantaneous Heat." It tells the research story behind the luminous wall development, what it is, how it works, its present and future applications, versatility, and a glossary of terms used. Bulletin is available from **A. F. Holden Co., 14341 Schaefer Highway, Detroit 27, Mich.**

Selsyn motors, generators, and

PURCHASING WEEK

Vol. 2 No. 21

May 25, 1959

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May 25, 1959

selsyn indicators are described in 6-page Bulletin, No. GEC-1527. Operation, applications, and ordering instructions are included in the bulletin along with selection and mounting charts, torque-resistance curves, and dimension charts and drawings. Copies can be obtained from **General Electric Co., Schenectady 5, N. Y.**

Adhesives, coatings and sealers are described in 12-page catalog. Catalog includes design concepts, typical applications and general characteristics. Copies can be obtained by writing **The Adhesives, Coatings & Sealers Div., Minnesota Mining & Mfg. Co., 900**

Bush Ave., St. Paul 6, Minn.

"The Story of Nylon Core Belting" is title of 12-page booklet. It summarizes salient facts about this new type of flat transmission belting. Booklet is available from **L. H. Shingle Co., Camden 3, N. J.**

Fiber Facts, a new, pocket-size publication containing up-to-the-minute fiber data and textile information is available. Fiber Facts includes a complete glossary of textile terms—fiber properties tabled for easy comparison—denier conversion tables—and a textile bibliography. Copies are available from **American Vis-**

cose Corp., 1617 Pennsylvania Blvd., Philadelphia 3, Pa.

Master unit substations are described in 58-page publication, No. GEA-3800D. Subjects discussed in detail include system reliability, substation flexibility, engineering, space requirements, appearance, installation, maintenance, ordering, ratings, and dimensions. Copies can be obtained by writing **General Electric Co., Schenectady 5, N. Y.**

Signaling systems, components and their applications are described in 44-page Logbook, No. IN-1110. Logbook describes what signaling is, explains how

signaling equipment can benefit industry, and provides many examples of signaling devices. Copies of the logbook are available from **Edwards Co., Inc., Norwalk, Conn.**

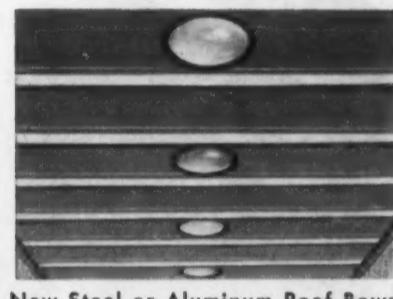
Permanent, decorative pressure-sensitive metallic materials are described in new brochure. Brochure contains swatches of available materials and a full size pressure-sensitive nameplate which shows the material's ability to be die-cut, printed on, and silk screened in any color, size or shape. Brochure is available from **Decorative Products Div., Avery Label Co., 2123 E. 9th St., Cleveland 15, Ohio.**

NEW FROM FRUEHAUF—THE FIRST FULLY INTERCHANGEABLE VAN LINE!

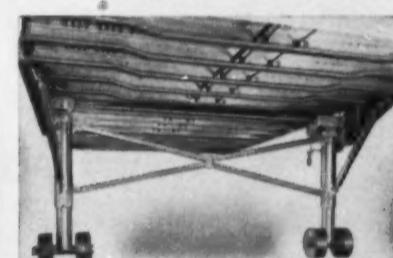


New Fully Interchangeable 1959 Exterior Post Aluminum or Steel Volume★Vans

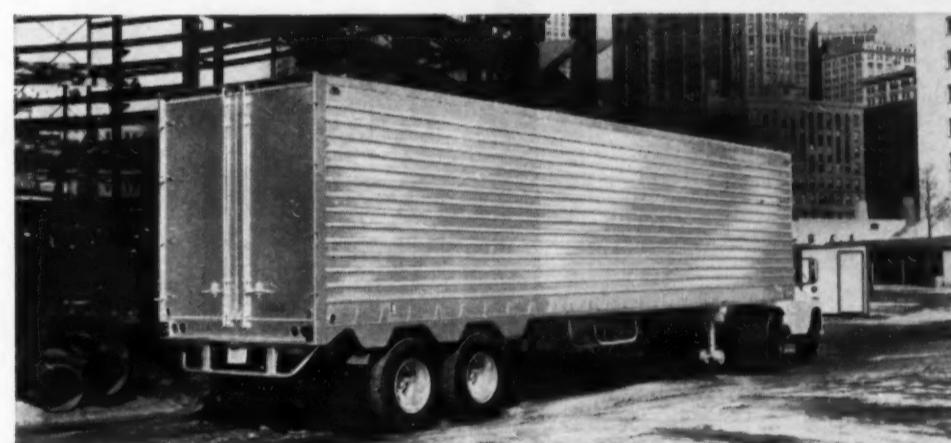
THE COMPONENTS, WEIGHT AND UNDERCONSTRUCTION YOU CHOOSE



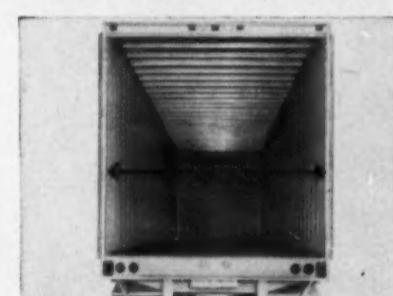
New Steel or Aluminum Roof Bows, Crossmembers, Structural Posts, Door Facings, and Wheels



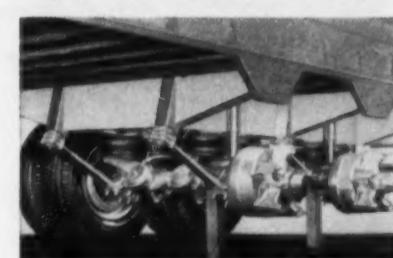
New Lightweight 2-Speed Steel Supports and Low Silhouette Upper Coupler



New Fully Interchangeable 1959 Smooth Panel Aluminum or Steel Volume★Vans



New Full 93"-Wide Rear Door Opening and 2½" Greater Inside Height



New Fruehauf Light Weight Safety Air Suspension or Leaf Spring S2 Tandem



World's Largest Builder of Truck-Trailers
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For Forty-Five Years—More Fruehauf Trailers On The Road Than Any Other Make!



Pocket Label Saves on Typing, Postage; Special 'Flying Carpet' Cuts Down on Handling Losses

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HIGH TEST STEEL
WROUGHT IRON



Send today for your free copy of
Campbell's new Sling Chain Handbook

It contains complete details on all Campbell Sling Chain equipment—
together with lots of valuable information on care and use. And you'll
find step-by-step instructions for ordering each type of sling chain
and attachment—illustrations—specifications and working load
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FACTORIES: York, Pa.; West Burlington, Iowa; Alvarado, Calif.
WAREHOUSES: E. Cambridge, Mass.; Seattle, Wash.; Portland, Ore.;
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**CAMPBELL
CHAIN**



POST-PAC POCKET LABEL. Label is folded and glued in back to form sealed envelope to hold shipping list. Sealed and affixed to parcel, no postage is required on this pocket label.

Come To **CAMPBELL**
For The Complete Line
of **SLING CHAINS**

every type — every size
every grade — every attachment

Whatever your particular application, Campbell will deliver exactly the right assembly! All Campbell Sling Chains are available in 3 grades—Cam-Alloy Steel, High Test Steel and Wrought Iron.

**GUARANTEED
FOR A FULL YEAR!**

No matter who you are...



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cotton towels, uniforms & linens



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Look in the Yellow Pages
under "Linen Supply"
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You only call once to arrange for regular,
dependable delivery of all your linen
requirements. You get the luxury and
quality of cotton cloth. (And, of course,
there is no substitute for cloth.)
The nearest Linen Supplier is no further
away than your telephone. Call today.

Linen Supply

**ASSOCIATION OF AMERICA
and National Cotton Council**
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1. Post-Pac Pocket Label

Detroit—"Work smarter, not harder," is a favorite motto of H. R. Schramm, P.A. of R. L. Polk Co. (publishers). Many shortcuts, time-savers, and improvements in Polk purchasing have been triggered by this progressive idea. Take the handling of branch office requisitions, and shipments to these offices, for example.

At Polk, printed forms and office supplies are ordered from Detroit stock by 40 offices throughout the country. Recently, Schramm installed an ordering system based on a carefully-indexed book listing all forms and office supplies. This worked well. But there still remained the matter of typing

a shipping advice and mailing it to requisitioning offices the day after Detroit filled the order. As Detroit makes anywhere from 600 to 700 such shipments per month, typing and mailing became a major job.

By adding an extra copy to branch office requisitions (four part), Schramm found he could use this copy as a shipping list. As offices making requisitions fill out the forms, no further typing is required at Detroit. Date and quantities shipped are written directly onto added form copy.

With typing eliminated, Schramm next devised a way to eliminate mailing of the shipping list

copy of the requisition. He now merely encloses this copy in a special envelope (see illustration) and affixes it directly to the shipment. When shipments now arrive at receiving offices they can be readily identified by the special attached envelope. Contents can be identified, and back order material noted, without opening the package immediately. Previously, shipping list followed package by mail—not in package—rather than delay shipment due to heavy typing schedule.

Result of Schramm's working smarter, not harder: 600 to 700 less typing jobs per month, time and money savings on that many mailings.

2. Specialized Equipment



HANDLING LOSSES were cut by purchasing special equipment.

Athens, Ga.—Don't give up on that special materials handling job that threatens to stump you. Call in your supplier and give him the opportunity to design something that will just fill the bill. This is what Westinghouse's distribution transformer plant in Athens, Ga., did.

Westinghouse had a special problem moving sensitive transformer cores from the assembly line to the storage rack. These grain-oriented silicon-steel cores are particularly sensitive to rough handling and damage.

The "Flying Carpet", seen above, was especially designed for them by a national supplier specializing in material handling equipment. As pictured, the operator has just picked a load of transformer cores from the rack at the left (at end of core assembly line). They have been rolled onto the roller in the center of the "Flying Carpet", seen back of the striped steel section. The entire device is then raised to the level of the storage rack at the right for transfer to stock.

This specially designed device that travels on a short, single track is just one example of how using a supplier's know-how and services can solve your problems, even in material handling.

Take
lubricants,
for
example



There's a  steel container to meet almost every shipping need

Petroleum is like many other products, spending some part of its life in a steel shipping container. A wide variety of products arrive at their destinations stable, safe, sanitary, in carbon or stainless-steel shipping containers that are manufactured by United States Steel.

USS steel drums and pails come in a variety of sizes and closures, offering flexibility in choosing a shipping

container, whatever you may manufacture. They represent the largest, most complete line available today, for the shipment of products as varied as paint and petroleum, chemicals and food, additives and essences.

Factories: Los Angeles and Alameda, Calif. • Port Arthur, Texas
Chicago, Ill. • New Orleans, La. • Sharon, Pa. • Camden, N. J.

United States Steel Products
Division of
United States Steel



Key Industrial Suppliers Announce Modernization and Expansion Plans

Expansion and modernization plans announced by several key industrial suppliers attracted attention last week. Major programs scheduled by Republic Steel, Firestone Tire & Rubber, and SKF Industries were especially noteworthy and rank in the top bracket of capital spending projects now underway in the steel, rubber, and bearing industries.

Cleveland—Republic Steel has launched a five-year capital improvement program costing more than \$375 million, the largest expansion program in its history. The new expenditures will bring the amount spent by Republic for capital investment to well over \$1 billion since the end of World War II.

Republic already has approved projects totaling \$185 million, and a few now are under way. Others will proceed as circumstances permit.

Kicking off its program, Republic has announced plans to erect a 56-in. hot strip mill, costing more than \$45 million at its Warren, Ohio plant. The facilities will have the capacity to roll 145,000 tons a month and will replace a 42-in. mill with a capacity of 85,000 tons.

Other plans totaling \$190 million have been "approved in principle" and will be given final approval as they are more fully developed. The entire sum will be spent at present plants and the firm's mining facilities.

Republic officials believe present facilities are well located in relation to markets and are modern and well equipped for basic steel production. Therefore, the new expansion program is designed to give Republic a greater amount of flexibility in the face of keen industry and foreign competition.

Republic, the nation's third largest producer, has an annual

National Standard Packs Wire in Reelless Coils

Niles, Mich.—National-Standard Co. has announced it is making copper plated steel wire available in reelless coils to provide savings in shipping costs. The company says its new packaging method cuts shipping weight by 12½%.

Return reel freight and record keeping expense on returnable reels are completely eliminated, National-Standard points out. The new packaging gives greater protection because each coil is wrapped tightly by machine with an overlapping vapor barrier, the company adds.

est manufacturing companies in the nation, also has 30 fabricating plants scattered throughout the eastern part of the country.

Akron, Ohio—Firestone has launched a \$55-million expansion program which will be spread over a 30-mo. period. The firm will invest \$40 million in the United States and the remainder abroad to meet what it sees as a rising demand for its products.

A rubber plant, under construction at Alcochete, Portugal, is scheduled to start operations late this year.

Initial work on a second new plant, at Orange, Texas, has been

finished. This facility, an addition to the Firestone petrochemical center, will produce the company's new man-made rubbers, Coral and Diene.

Overseas plants in Canada, Brazil, Argentina, Venezuela, and India are included in the program.

Domestic plants scheduled for expansion include: Akron, Ohio; Pottstown, Pa.; Memphis, Tenn.; Des Moines, Iowa; and Los Angeles.

Philadelphia—Groundbreaking ceremonies at its Altoona, Pa., plant signalled the start of SKF Industries, Inc.'s \$4.5-million expansion program. The project aims to make the Altoona facilities the most modern ball bearing plant in the United States.

SKF said it needs more production facilities to meet a sales volume jump among its customers in the automobile, electric motor, outboard engine, power tool, and appliance industries.

The Altoona plant, located on a 25-acre site, makes precision ball bearings, ranging in size from about one-half in. to slightly larger than three in. SKF also has plants in Philadelphia, Shippensburg, Pa.; Hornell, N. Y.; Massillon, Ohio; and Los Angeles.



Only BAGPAKS® have a built-in insurance policy backed by International Paper

ACCIDENTS like this will happen. That's why International Paper plans for extraordinary stresses and strains when designing its Bagpak multiwall bags.

Only genuine Gator Hide® kraft, famous for toughness, is ever used in making Bagpak multiwalls. Quality is controlled every step of the way. International Paper can do this because it grows its own trees, makes its own paper, converts it into printed multiwall bags to your order. It also designs and builds Bagpaker® machines that

can package up to 60 tons of material per hour!

When you buy Bagpak multiwall bags you get speedy shipments geared to your production schedules. Twenty-one sales offices and four strategically-located plants save you money by keeping your inventory at a minimum.

Only Bagpak multiwalls are backed by the full resources of International Paper—world's foremost pulp, paper and paperboard producer.

Next time your Bagpak field service engineer drops by, ask him what's new. He knows.



Bagpak Division INTERNATIONAL PAPER New York 17, N.Y.



REELLESS COIL packaging method cuts shipping weight by 12½%.

Railway Express Backs New Plan

Reorganizing Plan Is Probably Final Bid To Keep Control by R.R.'s

New York—Directors of Railway Express Agency are backing what appears to be a final proposal to keep the express operation under railroad ownership.

Following an intensive, two-day meeting last week, the board recommended adoption of a broad program aimed at reorganizing and streamlining express operations to erase current deficits.

To institute such a plan, however, will require the unanimous approval of the 178 contract railroads handling express business. The board has set June 1 as the deadline for responses to the recommendation and will meet again the following day to consider the positions taken by the various lines.

The board's recommendation, which itself was not endorsed by all board members, does not rule out offers from Lehman Brothers, New York investment bankers, and U. S. Freight Co., freight forwarders, to take over the agency. Those proposals are being held in abeyance.



RAYMOND J. STEFANAC, purchasing agent for Hoskins Manufacturing Co., was elected president of the Purchasing Agents Association of Detroit last week. Former treasurer and vice president of the Detroit group, Stefanac has supervised purchasing and traffic at Hoskins since 1948. Hoskins is a leading supplier of quality alloys to the electrical appliance, industrial electrical equipment, and automotive industries.

Alabama P.A. Dies

Montgomery, Ala.—John B. King, 51, state purchasing agent for Alabama since 1948, died May 14 following a heart attack. He is survived by his wife and two daughters.

McGraw-Hill Indexes

	Latest Month	Month Ago	Year Ago
Basic Chemicals Price Index	112.4	112.3	111.0
Chemical Week 1947 = 100			
Construction Cost Index	790.4	784.4	751.6
Engineering News-Record 1913 = 100			
Electrical Materials Cost Index	111.4	111.4	109.8
Electrical Construction & Maintenance November 1951 = 100			
Metalworking Products Price Index	158.7	158.5	155.9
American Machinist 1947 = 100			
Non-ferrous Metals Price Index	120.1	119.9	105.3
Engineering & Mining Journal 1922-24 = 100			
Petroleum Refinery Products Price Averages Index	92.9	93.1	89.0
National Petroleum News January 1957 = 100			
Plant Maintenance Cost Index	174.2	173.7	168.6
Factory 1947 = 100			

Surety saves you money

FOUR-2-ONE VINYL IMPREGNATED WORK GLOVES

PROVIDING Longer Wear at Lowest Cost



As the name indicates, count on these Surety gloves out-wearing cotton and many leather types four or more to one in most work.

Users report great resistance to snagging and abrasion plus easy finger flexing and hand comfort. You can wash them, too; come up sparkling bright and lint free. Available in men's and women's sizes, two styles illustrated. Want samples? Check your Surety distributor or write today.

SURETY RUBBER CO.
CARROLLTON, OHIO
In Canada: Safety Supply Co., Toronto

Capital Goods Needs to Boost P.A. Buying Activity in Months to Come

(Continued from page 1) International Industrial Conference Board annual New York meeting last week indicated a switch from first quarter "cautious optimism" over 1959's outlook to outright enthusiasm over the near-term business future. A long steel strike would be damaging, they said, but a three-to-four week walkout might be taken in stride.

The increased emphasis on cost-cutting (modernized) equipment and the rapid pace of the general business recovery already have given machinery producers a more-than-anticipated lift.

Expect 26% More

The McGraw-Hill new orders forecast shows that as of now, machinery manufacturers expect new 1959 orders to top actual dollar volume of new business last year by 26%. In January, they anticipated a 21% increase for the year as a whole. For the first quarter, dollar volume of new business booked was 17% higher (after seasonal adjustment) than new orders booked in fourth quarter '58.

The McGraw-Hill forecast also reveals that machinery manufacturers have increased their forecasts of new business in the second, third and fourth quarters of this year over their January predictions for the same periods.

Anticipated increases in new orders for 1959, compared with 1958, range from a high of 65% for metalworking machinery to 21% for other industrial machinery (general and special purpose).

Other New Order Increases

Other anticipated new order increases include: engines and turbines 55%, pumps and compressors 35%, construction and mining 25%, and office machinery 22%.

Projecting even further into the future, capital goods manufacturers told McGraw-Hill they expect a gain of 6% in new business in the first quarter of 1960, compared with the 1959 January-March quarter. Five out of every six machinery companies reporting in the quarterly survey said they anticipate a higher dollar volume of new orders in the first quarter of 1960 than they booked in the same period this year.

McGraw-Hill's spring survey of industry plans for new plant and equipment released a month ago showed that earlier this year industry was planning an average 7% increase in capital equipment in 1959 with even bigger expenditures indicated for 1960. Some individual estimates presumably have been increased since then.

Dramatic Change

Machine tool builders in Cleveland report that the last month or so has seen a dramatic change in P.A. treatment of their salesmen.

"They're now saying 'give me a firm bid, boys, 'cause I've got the appropriation and I'm going to buy,'" the head of one major producer told PURCHASING WEEK last week. Then he added:

"That's something we tried to get them to say a long time ago," he added, explaining that any

further delays increase the likelihood of slower delivery and even higher costs.

Although no serious jam-ups have been reported, capital equipment producers nevertheless are taking the opportunity to warn industrial buyers to plan further ahead. Cyclical buying habits of the power industry came in for particularly pointed criticism.

William F. Crawford, president of Edward Valves, Inc., told a power industry symposium of the Instrument Society of America, that the industry runs the risk of paying unnecessarily high prices for its capital equipment due to its practice of booking orders in bunches. Fluctuating demand, he said, results in more costly materials, inefficient use of labor, erratic engineering service, and fouled-up deliveries.

Capital goods producers in all sections of the country, many of them already enjoying new order increases and anticipating more, said their biggest headache was industry's habit of waiting too long to place orders.

Few Expect Habit Changes

They hope it doesn't occur again in this new go-around. But few expect capital equipment buyers to change their ways and view capital goods production in many respects as an inevitable "feast or famine" proposition.

Additionally, major capital goods producers—such as General Electric and Westinghouse—still are waiting for the upswing to absorb their productive capacity—although the current buying admittedly is good. For that reason they are, for the moment at least, in no mood to urge any "leveling out" in buying. Generally, however, they also deplore the cyclical buying tendencies of some industries.

A compliment to the steel industry came from W. Cordes Snyder, board chairman of Blaw-Knox, major manufacturer of mill equipment.

Steel is doing a much more consistent job of planning its expansion and improvement projects than it did in the "old days," Snyder said in Pittsburgh. This is "all to the good," Snyder added, because the "feast or famine" buying unquestionably adds to costs.

But despite improvement in efforts to level off the peaks and valleys of capital spending, Snyder still believes steel can improve its position in this respect.

Material Handling Equip. Show Set for Cleveland

Cleveland—Purchasing men in the market for industrial material handling equipment will be able to see \$5 million worth on display under one roof here June 9-12.

The Material Handling Institute said this week its show at the Cleveland Public Auditorium will be bigger and better than ever with 240 companies exhibiting industrial lift trucks, conveyor and monorail systems, mobile cranes, portable elevators, hoists, and racks. The seven-acre display of modern tools for plant, warehouse and yard handling of materials is billed as the largest marketing event of its kind in the United States.



PRESTRESSED!

Quaker Thermoid Conveyor Belting

keeps rolling with the punches

Before it ever comes to you, the heaviest tension you'll put on Thermoid-Quaker Conveyor Belting has already been built in—and then released after curing. So the rubber and fabric are really in compression when you put the belting to work—ready for the toughest pull without over-straining the yarn or the cover.

There's a Thermoid-Quaker belting designed with just the combination of properties you need for each conveying job. To get the right belting for your needs, talk with the Thermoid industrial distributor nearest you, or write to Thermoid Division, H. K. Porter Company, Inc., Tacony & Comly Streets, Philadelphia 24, Pa.



Notice how the special ply construction of Thermoid-Quaker "VICTOR" Belting provides greater flexibility at the edges—more shock-absorbing rubber where the worst beating occurs.

THERMOID DIVISION

PORTER

H.K. PORTER COMPANY, INC.

Divisions: Connors Steel, Delta-Star Electric, Disston, Forge and Fittings, Leschen Wire Rope, Mouldings, National Electric, Refractories, Riverside-Alloy Metal, Thermoid, Vulcan-Kidd Steel, H. K. Porter Company (Canada) Ltd.

This Week's

Purchasing Perspective

MAY 25-31

(Continued from page 1)

attracted the remaining 35%, and it was indicated the two-to-one ratio would continue through 1962.

Facts are now confirming the figures. Specific plans since announced by many firms confirm the stress on rejuvenation and modernization; and some already have indicated even greater outlays will be made than originally planned.

The Purchasing executive has a key assignment in this improving "modernization" climate. With industry paying extra homage to lower manufacturing costs and more efficient utilization of facilities, purchasing's skills and knowledge of what's new and better play a starring role.

PURCHASING WEEK's Plan '59 Modernization issue (Oct. 6, 1958) took the form of a special report on what purchasing men should know about:

- Modernization needs.
- Dollar-and-cents justification for re-equipping.
- How to spot obsolescence.
- Financing and/or leasing new equipment.
- What new equipment is available now and in the future.
- What to expect from foreign markets.

The answers PURCHASING WEEK assembled in that special "modernization" issue were designed to equip purchasing to become the hub around which modernization plans would revolve. Although supplies have long since been exhausted, PURCHASING WEEK's Plan '59 edition still remains one of its most sought-after editions.

OUTLOOK: Steel negotiations so far have accomplished little toward establishing confidence the principal adversaries will be able to reach a strike-free agreement. Progress on basic issues appeared nil at the end of two weeks of joint meetings last week with both sides still quarreling publicly over basic issues. In private, they said, things were still only in the "exploratory stage" . . . Industry, meanwhile, appeared to be taking the situation at face value and with Detroit automakers leading the way, pressed harder for pre-strike deadline deliveries of steel.

Senator Urges Speed Up in Military Buying

(Continued from page 1) ment of modern weapons, but also are a drain upon engineering and administrative resources," said the Senator who is pushing a bill (\$500) to overhaul the Armed Services Procurement Law.

Saltonstall's bill incorporates the ideas of Harvard Business School Professor J. Sterling Livingston, an outspoken critic of delays in weapon development. The bill would make it easier for the military to award negotiated contracts (as opposed to formal advertised bids), and would extend the use of "weapon system management" to bolster a prime contractor's responsibilities on a major project.

For the most part, the larger defense contractors are supporting the bill. They feel it would eliminate much of the red tape which now clogs up military-contractor relations and allow for faster decision-making.

Small Producers Against

But most smaller producers oppose the bill. They fear it would concentrate the award of prime military contracts among fewer companies and reduce the volume of subcontracting.

Congressional hearings on the bill have yet to be scheduled. But Sen. Richard B. Russell (D., Ga.), chairman of the Senate Armed Services Committee, has told Saltonstall, the committee's ranking Republican member, that a subcommittee will be set up to study the proposal.

But prospects for passage of

the bill look dim in the face of new criticism of the bill's major provision from both the Pentagon and Congress.

In response to a Senate Armed Services Committee query, Defense Dept. General Counsel Robert Decherd said the Pentagon objects to the provision calling for greater centralization of project management in the hands of a single prime contractor.

Privately, however, Pentagon officials welcome the Saltonstall's bill intent to clarify military authority to award contracts under negotiation rather than advertised bidding.

In closed-door House Defense Appropriations Committee hearings, just released, Rep. Gerald R. Ford, (R., Mich.) the subcommittee's ranking Republican, said smaller firms fear that when a larger company is awarded a prime weapons system contract it takes a larger and larger share (of the project) into its own operations, directly or by some closely tied affiliate."

Said Ford: "I notice a growing feeling among members of the House that this problem is getting out of hand."

The House Armed Services Investigating Subcommittee, under Rep. F. Edward Hebert (D., La.), has been conducting hearings over the past few weeks on weapon system management. Long a critic of the military stress on negotiated procurement, Hebert argues for greater use of advertised bidding and has said reliance on weapons system management contributes to the trend

toward more negotiated contracting.

So far, Hebert's committee has heard top officials of major airframe companies defend the Air Force's use of weapon system management. Some of the executives, indeed, have complained that the Air Force has not delegated sufficient authority to the primes.

Traffic Men Expect Lower Rates As Carriers Scramble for Volume

Atlanta—The men who fight and umpire the rate battles before the I.C.C. look for generally lower shipping charges this year as carriers scramble for freight volume.

Traffic experts who gathered at the annual meeting of the Association of Interstate Commerce Commission Practitioners May 15 agreed, however, that the trend won't be a sweeping one.

Terming 1959 "the year of competition between carriers," I.C.C. Examiner Glenn L. Shinn told PURCHASING WEEK: "I think the rate trend this year will be definitely down, with drops centered in areas with heavy traffic. But the pattern will be spotty."

W. L. Traffis, president of the I.C.C. practitioners, agreed. "Rate adjustments this year will be made commodity by commodity as competition affects a given commodity from specific origin to specific destination," he said, but the direction of the adjust-

ments will be "definitely down." Noting that there are about 2,000 cases now pending before the I.C.C. involving competitive situations, I.C.C. Commissioner R. L. Murphy said.

"Approximately 90% of the protests received by the I.C.C. are from one mode of transportation against the rates of another mode, or from one carrier or group of carriers against the rates of another carrier or group of carriers of the same type."

Other officials saw railroads as the main instigator of rate wars between carriers because of their need for and ability to handle high tonnage were disputed by Jervis Langdon, Jr., general counsel for the Baltimore & Ohio. He said the cry of rate war has a "hollow ring in these days when 2/3 of highway transportation and 80% of the waterway system is not regulated at all and waterway transportation does not pay one cent in user charges."

Court Bars Suits on Filed Rates

(Continued from page 1) against truckers who charge higher rates than those on file with the I.C.C. remain unaffected by the ruling.

The majority decision, written by Justice John Marshall Harlan, rests heavily on what Congress did and did not say in writing the Motor Carrier Act. And it may well lead to another effort to amend the law—something the I.C.C. has been recommending for years to clear up an admittedly cloudy legal situation.

The test cases arose on charges made by two truckers on government shipments. In one, typical of the charges involved, the trucker applied a through rate of \$10.74 per hundredweight on a shipment from Marion, Okla., to Plano, Calif. This rate was on file with the I.C.C.; but a combination rate—of \$2.56 per hundredweight from Marion to El Paso, Tex. and of \$4.35 per hundredweight from El Paso to Plano—also was on file.

The government was charged

and paid the through rate. It then went to court to challenge the reasonableness of the through rate because it exceeded the combination rate.

Lower courts upheld the government's right, as a shipper, to sue for a refund in court and held the issue of the reasonableness of the rate should be decided in a separate proceeding.

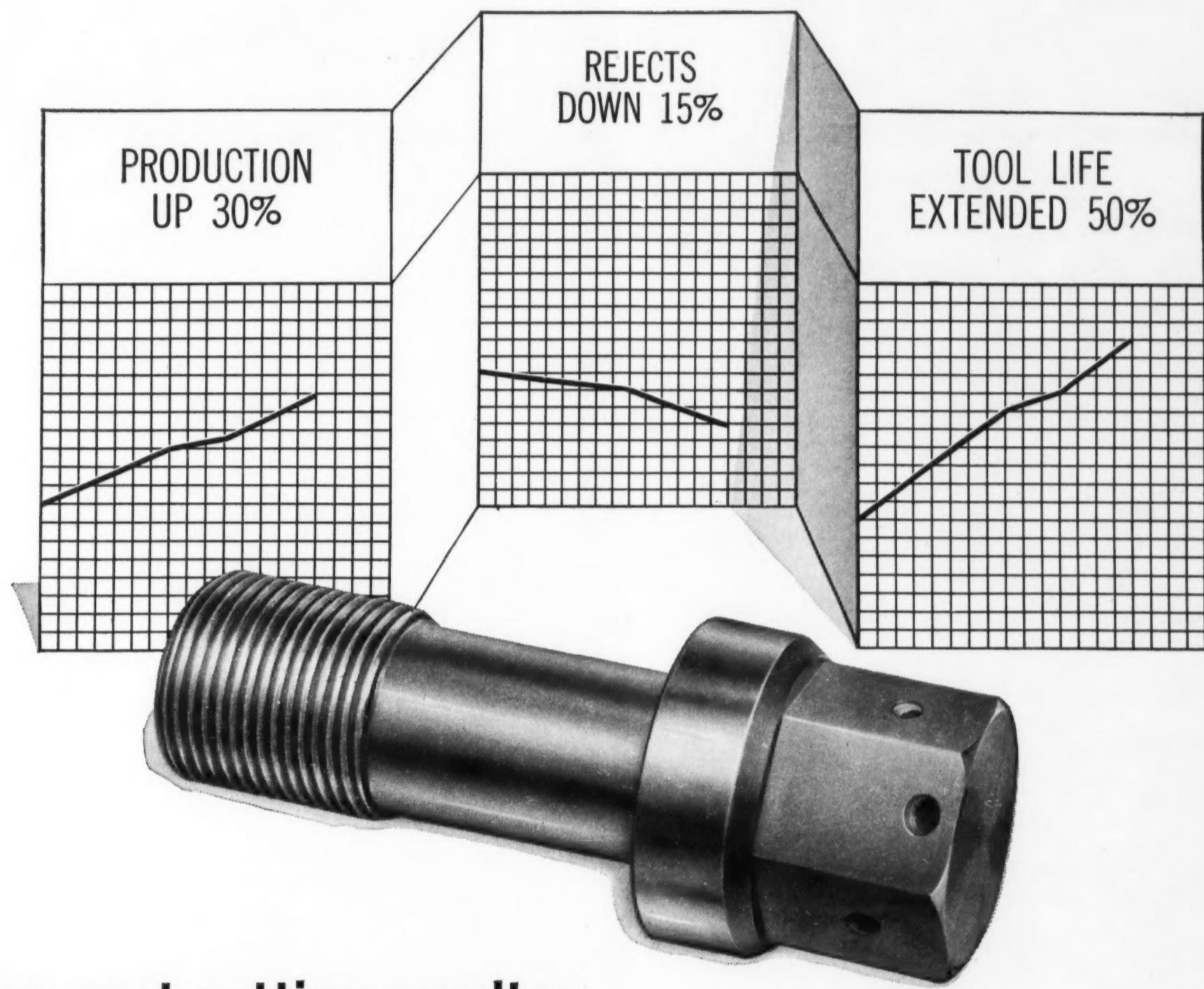
The Supreme Court disagreed. Justice Harlan pointed out that Parts I and III of the Interstate Commerce Act—relating to rail and water carriers—specifically do allow such litigation by a shipper on past charges, even when made under applicable and effective filed rates. However, none of these same provisions appears in Part II, dealing with trucks. Said Harlan, "we find it impossible to impute to Congress an intention to give such a right to shippers under the Motor Carrier Act when the very sections which established that right (against rail or water carriers) were wholly omitted in the act."

Price Changes for Purchasing Agents

Item & Company	Amount of Change	New Price	Reason
INCREASES			
Orange Oil, West Indies, bitter, lb.....	.35	\$3.75	
Sandalwood, Oil, East Indies, lb.....	.25	\$13.25	
Menthol, Brazilian, natural, lb.....	.15	\$6.40	
12-Hydroxystearic acid, carlots, lb.....	.01	.315	
Casein, Argentine, carlots, lb.....	.0025	.195	
Menthol, synthetic Laevo, lb.....	.10	\$6.50	
Cottonseed Oil, valley, lb.....	.0013	.129	
Cotton Chambray, 36-in., 3.60 yd., sanf., blue.....	.01	.255	Demand strength
Cotton Covert, 36-in., 3.60 yd., sanf.....	.005	.27	Upped demand
Eugenol, USP, lb.....	.20	\$2.40	Upped demand
Technical grade, lb.....	.15	\$1.70	
Bois De Rose Oil, lb.....	.25	\$2.00	
Clove Leaf Oil, lb.....	.15	\$1.55	
Linalool, lb.....	.10	\$2.90	
Linalyl acetate, 90-92%, lb.....	.05	\$3.05	
Cotton Twill, type 4, J. P. Stevens, 8.5 oz., yd.....	.01	.605	Demand strength
8.2 oz., yd.....	.01	.57	Demand strength
7.25 oz., yd.....	.01	.525	Demand strength
6 oz., yd.....	.01	.515	Demand strength
5 oz., yd.....	.01	.47	Demand strength
REDUCTIONS			
Fuel Oil, #6, Mid-Cont. ref., high sulfur, North, bbl....	.10	\$1.70	Slack demand
Fuel Oil, #2, Gulf Coast refiners, cargos, gal.....	.0038	.0863	High inventories
Kerosene, Gulf Coast refiners, cargos, gal.....	.0038	.0913	High inventories
Methyl Borate-Methanol Azeotrope, Cally Chem Co. Truckload & carloads, 55-gal. dms., lb.....	.055	.195	Output boost
Less Truck & carloads, 55-gal. dms., lb.....	.09	.21	Output boost
5-gal. pails, lb.....	.09	.36	Output boost
1-gal. cans, lb.....	.09	.56	Output boost
Gum Turpentine, South, gal.....	.0075	.529	Demand lag
Copra, Coast, ton.....	\$5.00	\$265.00	Soft mkt. abroad

Value analysis boosts production 30%

This was the outstanding result when a metalworking company studied and evaluated production of piston pin bolt heads with a Ryerson representative. The Ryerson specialist recommended Rycut® 40—the world's fastest machining alloy steel in its carbon range.



Other cost-cutting results:

In addition to boosting production, this risk-proof Ryerson alloy reduced rejects 15% . . . increased tool life 50% . . . and gave parts a better finish. Ryerson value analysis of materials and methods may help solve some tough problems for you. Contact your nearby Ryerson plant for details.



RYERSON STEEL®

Member of the Steel Family

STEEL • ALUMINUM • PLASTICS • METALWORKING MACHINERY

NATION'S MOST COMPLETE SERVICE CENTERS IN PRINCIPAL CITIES COAST TO COAST



His customer needed cable fast—to cover a breakdown. It took a weekend of teamwork to handle the

Emergency at 5:05!

Friday, 5:05 P.M. The call caught me just as I was leaving the office. One of my customers* in Seattle was in trouble.

I'm Tony Mitrovich—District Sales Manager for Rome Cable in Seattle.

A big piece of equipment had broken down and my customer needed 500 feet of 5-KV cable *fast!* I wasted no time getting Long Distance. The answer lay some 2500 miles away—in Rome, N. Y.

Friday, 8:15 P.M. Rome time. I had the Sales Service Manager at Rome on the line. I caught him at home. As I got the story later, my request triggered a chain reaction of events. Here's how they went.

Friday, 8:30 P.M. The Sales Service Manager at Rome tried to contact the Head of the Shipping Department. No luck. He tried the Traffic Manager at home. He was out bowling in the Friday night league. Only one thing to do . . .

Friday, 9:30 P.M. He located his man at the bowling center; both went back to the plant that same night, located the right cable in stock and got it out.

Friday, 11:00 P.M. Order completed!

Saturday morning, 7:30 A.M. 500 feet of cable was taken to the airport, where it was shipped by air to Seattle.

Monday morning, 7:30 A.M. in Seattle. The cable was on the job. That's teamwork. That's the kind of support that makes my job a pleasure—and makes lots of friends for me.

And that's the kind of service that helps lots of my customers out of jams—makes them loyal Rome Cable customers.

*Name furnished on request



MEET THE MAN

WHO'S DEDICATED
TO YOUR JOB
YOUR ROME CABLE
SALESMAN

This story typifies the service you can rely on from your Rome Cable salesman. He links you directly and quickly with the facilities and engineering skills at Rome—not only during emergencies but also during any special demands of your job. When you have a wire and cable problem of any kind, give him a call.

ROME CABLE